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### Heads Halifax Board

**Halifax Board of Trade, oldest in Canada, has named as president A. Irvine Barrow, 41. The man who heads the 205-year-old board is a partner in Barrow, Nicoll & Co., chartered accountants, a member of the Board of Trade Council for eight years, a director of the Canadian Chamber of Commerce. He chaired the committee which introduced city manager government to Halifax.**

THE NATION'S BUSINESS

## Changes Coming In Taxes, Tariffs?

The forthcoming budget leaves more field for speculation than most of its immediate predecessors. In taxes Mr. Harris has more room than usual for the exercise of his own discretion because he has the chance of making out a case for deliberate deficit financing if he chooses. The case may not be very convincing, but at least it could be made respectable by taking a gloomy view of the economic outlook. But if there is any case at all for deficit financing, then there is an equally strong case for cutting taxes in the places where tax cuts will provide most incentive to production and employment.

In another field too, Mr. Harris has more elbow room. This year the Government is really on its own in deciding tariff changes. Whatever else comes out of the current review conference on GATT at Geneva, there is an opportunity for revising tariffs.

This is all to the good.

We never gained by pretending that low tariffs were binding upon us merely because of some international commitment. The case for tariffs, low or high, is a matter of what is best for us as a nation. We are definitely better off if the Government has to consider tariff increases—as it does this year—on that practical basis. Feelings of benevolence, pique or anger do not help.

Many people feeling benevolence toward the British say we must not raise the tariff on British woolens whatever happens. This is not realistic. The argument for not raising the tariff on U. K. woolens is that we might drive the U. K. into buying less of our goods. Or that an increased tariff would not really meet the problems of our own industry (as the Tariff Board report strongly suggests), or that it would raise the cost to our consumers.

On the other side, we may well be mad at the Americans for their attitude on farm surpluses and imports. But being mad is a poor reason for trying to raise tariffs against them. If Canada's national interest will benefit by increasing the tariff on, say, ethylene glycol or polyethylene, then let the duty be raised. But if the increased duty will merely mean that we all pay more for our anti-freeze, let us leave well alone.

Finally tariff policy should not be settled by a narrow calculation of votes. We see, and we have reason to complain almost every week about, what happens when the U. S. House of Representatives settles tariff policy on that local basis.

The benefit of our system of government is that it should be able to consider the national interest without calculating too closely the votes which may be won or lost in a particular constituency. Most citizens will hope that the Government will take this broad viewpoint when it discusses the tariff changes which Mr. Harris will announce in his budget.

* * *

### Something Can Be Done

So long as we have cars and people to drive them there will be traffic accidents. Man is not infallible. But surely we can reduce this ghastly toll of killed and injured and this property loss which runs into millions of dollars each year.

We are not doing very much about that reducing now. The report of the Ontario Legislature's committee on highway safety and reports from similar bodies in other provinces, makes that point very clear. And for further confirmation we have only to read the pages of any daily paper, anywhere and any day.

In Ontario alone last year there were 110,000 traffic accidents. Almost 1,100 people were killed. Almost 24,000 were injured, many of them permanently injured. Property damage was more than $24 millions. Those are staggering figures. They are far higher than they need be. They are far higher than they should be.

We have little excuse for wringing our hands and wondering what can be done. There is plenty of expert advice, some of which is summarized elsewhere in this issue. But we are not going to get anywhere unless we translate this advice into concrete action.

We can't make our highways or our cars foolproof. But we can take some of the fools off the highways and keep them off. We can also ditch some of our fool laws, which we don't pretend to enforce anyway, and replace them with laws that will be respected and will be enforced. We can build safer cars and safer highways. And above all we can hope, and pray and strive to cultivate decent and civilized driving manners.

Highway safety is not just a matter for a special committee, or the police, or the car and road builders. It is a job for all of us.

* * *

### Will They Cut Loose?

It is assumed that the coming amalgamation of the two big labor groups in the United States will be followed by a marriage of their subsidiary AFL and CIO forces in Canada.

That could be a welcome move if it only brings to an end the inter-union fighting and rivalry that has proven so costly to management, employees and the whole community in recent years.

Of more significance, however, is the possibility that Canadian unions will take this opportunity to set up their own house. Where else is there a situation where policies of a labor organization are directed and controlled by officials in another country?

It is the Canadian union officials on the scene and familiar with Canadian conditions who are best equipped to decide what the policy of the Canadian union shall be. And yet there have been repeated examples recently where unions in this country have had to seek permission from the U. S. parent body on some action and where U. S. officials have been called in to direct affairs here when a crisis developed.

This is not the same country as the United States. Geographically, we are close, but in other ways we are far apart. Because of these differences—in our attitude, our economy and our whole way of life—the policies of U. S. labor leaders can hardly apply here.

## Shops Centre Surge Gets Triple Impetus

**Principal Investments Goes To Montreal; Sudbury Centre Will Include Heated Street, Fashion Shows, Wrestling; U. S. Group Plans For Windsor**

***For further details on shopping centre construction to date across Canada see a roundup on p. 43.***

The shopping centre surge in Canada gained new impetus this week with announcements of three major schemes, each of which has special significance.

One scheme sees the entry into Quebec for the first time of Canada's biggest builder of shopping centres, Principal Investments Ltd. Another is a unique adaptation by the same firm of the shopping centre idea to meet Sudbury's severe winter climate. The third brings in a new group of businessmen—with ambitious plans. These are the schemes:

—Plans by Principal Investments to build a centre at Montreal but with no details so far given.

—Start on construction this spring by Principal Investments of a "Nickel Range Shopping Centre" at Sudbury. Stores will face each other across a roofed, central mall, heated in winter, air-conditioned in summer.

—Entry of Detroit-Windsor group into shopping centre construction in Ontario with a centre at Windsor. They hope to include one of the "largest department store organizations in the U. S. or Canada."

**For Public Functions**

The new Nickel Range's covered, central mall will be used to provide on a bigger scale the kind of community centre that Principal Investments has fostered in some of its other centres.

Stores will face each other across the mall. In most shopping centres, store faces street across a parking lot.

Because the mall will be 70 ft. wide and 150-200 or more feet long, it is virtually a hall or auditorium.

Sudbury citizens will thus get with their shopping centre an after-shopping-hours spot for meetings, concerts, fashion shows and a host of other activities. Square dancing, or moccasin dancing will be accommodated.

So will entertainment for children, religious services, political meetings, boxing, wrestling.

Shopping centres with enclosed malls were originated in the U. S. But the Nickel Range centre is adapted to a climate never faced by a U. S.-built shopping centre.

Its heating in season is regarded as not a frill but a necessity in Sudbury where the winters are extremely cold. The stores will be air conditioned in summer, in line with the best modern practices, so it is planned to include the mall too. Stores will have windows even though the mall is covered.

The over-all design to fit Sudbury conditions may make the centre more or less unique. The E. P. Taylor group's more southerly Greater Hamilton Shopping Centre had mooted an enclosed mall, but dropped the idea.

The new centre will possibly include 1,300 ft. of store frontage. Parking for somewhere in the neighborhood of 2,000-3,000 cars will be provided on three sides of the centre.

The frontage would indicate a cost of perhaps as much as $4 millions.

Flat land that is not rocky or swampy but ideal for big developments was hard to find. The new centre will be on a level 30-acre site. It is about three miles from downtown Sudbury, but easily accessible by car and

(Continued on page 3, col. 5)

## Canadian-U.S. Interests Acquire Birds Eye Foods

A Canadian-U. S. group has bought Birds Eye Foods (Canada) Ltd. from Unilever Ltd., London, Eng.

The deal may mean three new food plants, in the Maritimes, Ontario and B. C., and a bigger share of the frozen foods market for Canadian producers.

The purchasing group, headed by Milton S. Jennings, president of National Almond Products Corp., New York, and Hugh Paton, president of Paton Corp. Ltd., Toronto, announced the deal this week.

The purchase splits the frozen foods industry founded by Clarence Birdseye into three world groups:

—General Foods Corp. (which bought world rights to Birds Eye Foods from Birdseye in 1929 for $22 millions) still holds the U. S. rights.

—The Lever organization holds the rights in the rest of the world (it bought them from General Foods in 1942), except Canada.

—The Jennings-Paton group now owns Birds Eye in Canada.

Its new owners said this week that Birds Eye Foods (Canada) markets about 50% of Canada's consumer frozen foods, distributing fruit, vegetable, poultry and fish products through 56 centres in all 10 provinces.

The new group takes over a marketing staff of 200, head office personnel and Birds Eye headquarters at 299 Eastern Ave., Toronto. The new management hinted it is planning new offices.

"About 65% of frozen food products sold in Canada come from the U. S. We plan to increase greatly the share of the Canadian primary producer in this market. This will result in lower retail prices," said Mr. Paton.

He said that his firm was planning to establish frozen food processing plants in the Maritimes, Ontario and B. C. Birds Eye Foods (Canada) is also working with Interprovincial Cold Storages Ltd. to establish low-temperature storage depots at key centres.

A veteran of 30 years in the food industry, Mr. Jennings will assume active management of the Canadian Birds Eye firm. He recently sold his controlling interest in Airline Foods Corp., New York, which he headed for 28 years.

Mr. Paton is president of Paton Corp. which has interests in food processing as well as other industries. He is a native of Charlottetown, P.E.I.

## PRICES

(SEE ALSO TREND OF BUSINESS, P. 17)

**Copper** under heavy pressure from erratic but extremely strong London market. There's now talk of 36c (U. S. currency) copper, compared with the current 33c and the earlier 30c. London copper is soaring over the equivalent of 40c lb., some say it could hit 50c. But mine strike settlements could quickly knock down prices.

**Coffee concentrates** down 4c for 2-oz. jars, 12½c for 6-oz. jars in line with general coffee downtrend.

**Crude oil** boosted by Imperial Oil in seven Alberta fields. Other companies to follow. The increases per bbl.: 12c at Pembina, 1c at Excelsior, ½c at five others. Pembina rise results from cut in pipeline tariff plus quality adjustment; others from reduction in pipeline gathering charges.

**Flax** bounced upward at midweek to around $3.18 (May future), apparently because of export interest. Oats, barley and rye remained sluggish, likely will stay that way for some weeks.

## Bank Rate Cut, 'Easy Money' Policy To Stay

OTTAWA (Staff)—This week's reduction in the bank rate had the effect of dramatizing Canada's official policy of low interest rates and easy money.

Financial markets interpreted the reduction of the Bank of Canada's rediscount rate from 2% to 1½% as an expansionary move, and as confirmation of the Government's will to continue low interest rates (The Post, Jan. 30) in spite of signs of an opposite trend in the U. S.

The bank rate is the interest rate at which the Bank of Canada will make short-term advances to chartered banks and money dealers. As such, its effect is more technical than practical. The change in itself will not make bank loans or mortgage money, for instance, any cheaper to the

(Continued on page 3, col. 1)

## Manitoba, Alberta To Get Two Big Chemical Plants

A $40-million, two-plant chemical construction program for Western Canada is in its final planning stages, with first construction work scheduled to get under way this spring, The Post understands.

One plant is to be located in the Winnipeg area; the other in Southern Alberta (Medicine Hat and Lethbridge are possible sites).

Both plants will produce nitrogen-type fertilizers; one an entirely new-type product for this country.

Separate Canadian-U. S. groups will own the two plants. A newly incorporated company, Canadian Hydrocarbons Ltd.,—along with several other participating groups said to include Power Corp. of Canada and a U. S. interest—will share ownership of the Manitoba chemical plant.

A new company, Northwest Nitro-Chemicals, in which Commercial Solvents—a large U. S. chemical company — and New British Dominion Oil Co., Calgary, will share majority interest, will build the South Alberta plant.

Both plants plan to obtain a basic raw material from western natural gas. The Winnipeg plant will operate on gas from the proposed trans-Canada gas pipeline (but could use residual fuel oil or even propane, if priced right). The Alberta project will operate on gas from the Etzikom field, in which New British Dominion holds majority ownership.

Canadian Hydrocarbons has been set up as an organization financing organization which through partners will form, and maintain an active interest in, a broad range of petroleum and petrochemical projects in Western Canada. These are likely to include propane distributing companies, petroleum product pipelines, petrochemical plants, etc. Canadian Hydrocarbons was formed by Winnipeg & Central Gas Co. and under a proposed rights offering both Winnipeg & Central and its shareholders are expected to subscribe for a substantial proportion of the common stock.

One of the new company's first organizing and financing projects will be a $20-million chemical fertilizer plant. Unlike many heavy bulk fertilizers whose marketing scope is sharply limited by transportation charges, products of the new Manitoba plant are reported to lay down competitively in distant markets.

Financing plans of the Southern Alberta $20-million project are said virtually completed. Sales of debentures and common stock is expected to net some 40% of required capital. Commercial Solvents and New British Dominion will put up practically all of the remainder. Bulk of the fertilizer output will be marketed on the Prairies.

## More Storms Ahead In Labor Contracts

**New Negotiations Hold Promise of Some Long Struggles As Most Hangover Contracts of 1954 Out of Way — Steel Talks In Two Weeks**

By JACK McARTHUR

Canadian labor was clearing its decks this week ready for 1955's bargaining storms.

And management was sitting tight, in many cases preparing for long drawn-out contract talks. Like 1954, this year will see plenty of marathon negotiations and scores of conciliation boards.

Out of the way are most of the important hangovers from 1954. This is due partly to a spurt of contract signing last week. Laborwise, a tough negotiating year has just ended, lagging some six weeks behind the calendar.

Increasingly now, union leaders are considering demands for 1955. And wondering whether the employers who gave them such spirited opposition in 1954 will do the same in 1955.

It's now virtually certain that—generally speaking—labor demands this year will be at least as extensive as they were a year ago. Too, 1955 is the year when the CIO-CCL United Auto Workers Union is expected to ask General Motors for the guaranteed annual wage. UAW leaders will get GAW details at a conference in Windsor this week end (See Labor Roundup).

On the management side, there's going to be extreme reluctance to consider cost-boosting wage-benefit increases.

Business is improving but competition is razor-keen. Higher costs could be fatal to sales.

"We're not going to offer any monetary increases at all," said an executive of one large Toronto-area manufacturing company. "We can't afford to increase costs by very much."

One thing could change the outlook for 1955 bargaining: A sudden and substantial upsurge in business. Then management could afford to give more to labor. But no one looks for such boom conditions, even though 1955 is expected to be better than 1954.

There are still a few 1954 labor wrangles to be settled. Two of the most notable: Chrysler and the Ford of Canada office workers. In both cases the UAW is the union. In both, at midweek, there was cause for careful optimism that strikes would be avoided.

The Chrysler talk subjects on which there was widest disagreement were non-monetary. The UAW had authority to call a strike of the 9,000-man Windsor plant but wasn't doing any tough talking. The late January settlement of the Ford strike appeared to be setting the pattern at Chrysler.

Ford's talks with representatives of its 1,500 office workers resumed at midweek. Here, again, there was little belligerent talk.

Last week's important settlements:

—kept Canadian Broadcasting Corp. radio and TV stations operating;

—ended a paralyzing linoleum walkout;

—ended a bitter 113-day strike in Toronto with little gain to striking CIO-CCL United Steelworkers members.

And the future is shaping up this way:

**Automotive:** If Chrysler signs a contract carrying into 1956, GM will be isolated since Ford's contract also lasts into 1956. This ties in with the UAW policy of hitting one major automaker at a time. It will allow UAW in Canada to concentrate all its weight against GM to back the guaranteed wage. (UAW has never said in so many words it's going to ask GM this spring for the guaranteed wage, but it's almost a certainty.)

**Steel:** This could turn out to be the biggest fight of all. Companies and unions are preparing for protracted negotiations.

Steel Co. of Canada again should set the bargaining pace, with talks expected to begin within the next two weeks. Basic steel gave wage boosts last year, the CIO-CCL United Steelworkers want more of the same in 1955.

In secondary steel, many companies held the wage line last year. With the situation little changed, they'll likely want to do the same this year.

Yet the Steelworkers Union is

(Continued on page 3, col. 6)

## Inside News


**HOW CHRYSLER** got ready for its big sales drive ..... p. 19

**WHAT'S AHEAD** for construction? A special Post report on the industry ..... pp. 37-72

**HOW TO SAVE** on your income tax returns ..... p. 15

**BUSINESS TRENDS**, the facts and figures vital to planning ..... p. 17

**CANADA LEADS** in life insurance; how the big companies have grown ..... p. 13

**ANNUAL REPORTS** still have room for improvement . p. 4

**SMALL PLANTS** are trying an industrial health experiment ..... p. 21


## Tariff Talks With Japan Up For Decision Shortly

OTTAWA (Staff) — Canada must decide in the next few days whether to enter into new tariff negotiations with Japan.

The United States is leading the way for Japan's entry into GATT by starting tariff negotiations with that country. All other GATT signatories are invited to do the same. Some of them — and probably a majority — will not negotiate with Japan. The United Kingdom, for example, definitely will not.

For Canada the big step has already been taken. The Canadian-Japanese trade agreement of last year (The Post, April 3, 1954) assured Japan of most-favored-nation treatment by Canada, subject to safeguards on dumped goods which were held to conform to GATT provisions. So far as this country is concerned, the way is open for Japanese admission to GATT.

The bargain has remained heavily on the Canadian side. Japan is our third best customer, and it has only slightly increased its sales to Canada. Up to the end of November, 1954, Japanese imports into Canada were worth nearly $16 millions. Our exports to Japan in the same 11 months were worth $83.5 millions.

There are not very many items — certainly very few big ones — on which Canada would give tariff reductions to Japanese goods; but it is believed here that there may be a few of special interest to Japan which would have little or no effect on Canadian industry. It is possible that the Government might negotiate on these. It would not expect any major concessions from Japan in return; but negotiations might help to preserve Canada's place in the Japanese market which is bulking fairly large in the overall export picture.

A sideline to the main question is this: The United States is ready to negotiate with other countries on items "of interest to Japan." There could be some trade items in which Japan is interested which Canada also sells to the United States. In such cases Canada has the chance to negotiate with the United States, provided it is also negotiating with Japan.

No clear indication was available this week of what detailed items might be involved in either possible negotiation. But it was clear that everything we might negotiate either directly with Japan or with the United States would be rather specialist items, having no broad impact on Canadian industry.

## Official Ontario Highways Report Affects Industry

More than half a dozen Canadian industries will be affected by recommendations of Ontario's Select Committee on Highway Safety, if the Provincial Government acts on them

The committee's report, submitted last week, urged legal amendments or investigation in these fields:

**Advertising:** Auto-makers and the oil industry should stop plugging speed and power.

**Automotive:** Officials should investigate the dimensions of commercial vehicles using the highways. Experts should also investigate braking systems, safety belts, and nonfunctional ornaments dangerous in collisions. The MPPs also said all new vehicles, starting Jan. 1, 1956, should have "mechanical signaling devices."

**Contractors:** Intersections of through highways should be traffic circles, or clover leafs. Heavily used highways should have extra acceleration and deceleration lanes for heavy traffic. No road should be less than 22 ft. wide, with plenty of shoulder space.

**Railways:** Floodlighting of rail crossing signs should be studied by both Ontario and Ottawa Railway cars should carry lights or reflective materials on the sides.

**Garages:** Officials should study systems of mechanical inspection of vehicles, either by the Government itself, or in privately operated stations.

**Trucking:** Chauffeurs' licenses should be divided into two types: for cars and light trucks, and for buses and heavy trucks. Officials should study weight-loads of tractor-trailers.

For a digest report of the committee's recommendations, see p. 26.

### *Watch For Bruce Hutchison Next Week in The Financial Post*

Bruce Hutchison, distinguished author and journalist, is one of the nation's foremost authorities on political and economic affairs. He has a host of intimates in high places. Besides numerous short stories and articles, he is the author of "The Unknown Country" (winner of the Governor-General's Award), "The Hollow Men" and "The Incredible Canadian," a biography of the Rt. Hon. W. L. Mackenzie King.

Watch for Bruce Hutchison's column starting next week in The Financial Post. Enjoy his urbane style, his witty and penetrating comments.

## *Water Over the Boundary*

### Here's A Key Argument In The Big Question

By MICHAEL BARKWAY

OTTAWA (Staff) — If Canada once commits a flow of water to the United States, the commitment may be for keeps.

This possibility is at the heart of the controversy about the International Rivers Bill, which would put under federal jurisdiction the construction of works interfering with the flow of rivers from Canada into the United States.

In spite of a good many days' debate in the House of Commons, the legal heart of the matter has not been touched.

The Social Credit members in the House — an inflated bakers' dozen — have been holding up second reading of the bill out of loyalty to the Social Credit Government of British Columbia. They have, in the process, committed themselves to a defense of the B. C. Government's agreement with the Kaiser Aluminum & Chemical Co. of the U. S. for construction of a dam at Castlegar at the foot of the Arrow Lakes (The Post, Oct. 9, 1954).

Speakers from all other parties have strongly opposed the Kaiser deal, but none of them have got to the crux of the matter—which is the legal conception of "appropriation" of water.

In Eastern Canada, as in the eastern part of the United States, legal right of water depends on the common law idea of "riparian rights." That is to say, the holder of land on the banks of a stream has a vested right in the continued flow of the river past his holding.

**The Law in the West**

But in the western provinces of Canada, as in the western states of the United States, water law is statutory law based on a quite different idea—the idea of "appropriations."

It started with the early miners. They set up camp on the bank of a river and stuck up a notice to say that they claimed so much water to wash their gold.

The notice on the miner's property soon became inadequate, as the local governments got organized. They required that the claim to so much water should be registered with the district engineer (or wherever it might be).

Eventually provincial statutes in Canada, and states' laws in the Western U. S. states, gave full sanction to this procedure. The laws of "appropriation" were spelled out in the western provinces and states. The priority of each claimant's right to the use of water came to date from the filing of his claim at the appropriate office. When disputes arose between one user and the next, this date of filing could often decide the case.

It also followed in most provinces and states that the claim could not be upheld unless it were exercised. If no use was in fact being made of the water claimed, then it might be automatically forfeit or it might have to yield before a counter-claim. In British Columbia such claims and counter-claims led to a technical phrase by which the courts

(Continued on page 3, col. 4)

## *Stock Market Highlights*

**Industrials**

**Canadian Breweries** common stronger recently at around $28 a share, up from $25 three weeks ago. New convertible preferred issue expected shortly.

**General Dynamics** common, after slight reverse last week, climbed to record $125, up $30 in week. Still attributed to split, higher dividend.

**Bruck Mills A** strengthened to $15 up from $12 a month earlier. Increased business this year.

**Mines**

**Noranda Mines** shares sell at all-time high of $92 following announcement of 2-for-1 stock split, boost in capital from 2,250,000 to six million shares.

**A copper shortage** in U. K.—spot copper sold last week at equivalent of 43.6 cents a pound—undoubtedly partly responsible for move in Noranda and strength in other copper issues including Hudson Bay, Quemont and Waite Amulet.

**Consolidated Howey** sells up to $3.75 a share on reports control purchased by Hirshhorn interests.

**Baska Uranium**—a recent firm spot on uranium market—announces 7-ft. section in No. 37 hole runs $85.34 at location 100 ft. west of No. 36 hole. No. 38 hole also reported drilling in ore.

**Lake Cinch Uranium**—successor to Cinch Lake Uranium—sells over $1 a share on over-counter market with trading on Toronto Stock Exchange scheduled Monday.

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Sport shirts and walking shorts . . . cabana sets and beach robes . . . tropical suits, jackets and slacks . . . they're being featured now in new cool crisp shades such as lime, helio, maize and pink, sometimes with charcoal . . . in cool fresh fabrics of cotton, rayon, nylon and dacron! See them now at

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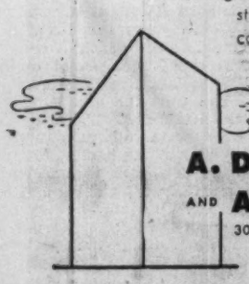

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THE

**STERLING TRUSTS**

CORPORATION

Balance Sheet, December 31, 1954

ASSETS

| | |
|---|---|
| **CAPITAL ACCOUNT:** | |
| Office Premises, Safe Deposit Vaults | $ 21,481.74 |
| Mortgages and Agreements for Sale | 570,785.19 |
| Government and Corporation Bonds | 406,636.18 |
| Stocks | 278,943.41 |
| Loans on Stocks and Bonds | 44,193.88 |
| Advances to Estates | 68,000.00 |
| Accounts Receivable | 2,957.47 |
| Cash on Hand and in Banks | 129,078.06 |
| | $ 1,522,075.93 |
| **GUARANTEED ACCOUNT:** | |
| Mortgages | $ 6,096,776.52 |
| Government, Municipal and Corporation Bonds | 2,022,108.64 |
| Stocks | 561,789.06 |
| Cash on Hand and in Banks | 368,239.88 |
| | $ 9,048,914.10 |
| **ESTATES, TRUSTS AND AGENCIES:** | |
| Investments and Assets Held | 8,552,536.60 |
| Cash on Deposit | 577,167.42 |
| | $ 9,129,704.02 |
| | $19,700,694.05 |

LIABILITIES

| | |
|---|---|
| **CAPITAL ACCOUNT:** | |
| Capital Paid Up | $ 914,970.00 |
| Reserve Fund | 475,000.00 |
| Reserve for Taxes | 38,000.00 |
| Accounts Payable | 5,746.18 |
| Dividend Payable Jan. 3, 1955 | 25,070.12 |
| Profit and Loss Balance | 63,289.63 |
| | $ 1,522,075.93 |
| **GUARANTEED ACCOUNT:** | |
| Guaranteed Trust Certificates | $ 6,056,643.31 |
| Deposits | 2,992,270.79 |
| | $ 9,048,914.10 |
| **ESTATES, TRUSTS AND AGENCIES:** | |
| Amounts due | $ 9,061,704.02 |
| Advances from Capital Funds | 68,000.00 |
| | $ 9,129,704.02 |
| | $19,700,694.05 |

PROFIT AND LOSS ACCOUNT

| | |
|---|---|
| Profits for year | $ 193,111.80 |
| Less Taxes other than Taxes on Real Estate | 67,349.11 |
| Net Profit for year | $ 125,762.69 |
| Profit on sale of Regina building | 47,560.80 |
| Balance brought forward | 37,706.29 |
| | $ 211,029.78 |
| Less Dividends to Shareholders | $ 72,740.15 |
| Transfer to Reserve Fund | 75,000.00 |
| | 147,740.15 |
| Balance carried forward | $ 63,289.63 |

*Head Office:* 372 Bay Street, Toronto, Ontario

*Branches:* Barrie, Ontario; Regina, Saskatchewan


## Announcing

**Canada Cement Co. (Montreal)**—G. A. Grant, vice-president, continues as general sales manager.

**Canadian Fruit Wholesalers Association**—Zoel Parent, Montreal, president; W. D. Cumings, Calgary, 1st vice-president; R. D. Wolfe, Toronto, 2nd vice-president; T. H. Johnson, New Glasgow, N.S.; N. Smith, St. John's, Nfld.; Emile Blais, Sherbrooke, Que.; J. P. Routhier, Montreal; G. Lerner, Montreal; C. A. Stewart, Montreal; E. H. Ryerson, Brantford; J. C. McNally, Toronto; T. Jones, Toronto; V. Lamantia, Toronto; M. J. Sansone, London; George C. Cope, Winnipeg; A. A. Shelly, Saskatoon; N. Chapman, Edmonton; D. McNair, Vancouver; H. S. MacDonald, Saint John, N.B.; A. Rheaume, Quebec City; B. H. Basing, Winnipeg; Geo. Manson, Edmonton; directors. J. A. McBride, Montreal; N. Matte, Quebec City; C. H. Gorham, Halifax; honorary directors.

**Canadian Lumbermen's Association (Ottawa)**—Roy Halliday, Toronto, president.

**Canadian Marconi (Montreal)** — J. "Bill" O'Brien, public relations supervisor.

**Canadian National Telegraphs (Montreal)**—H. J. Clarke, general superintendent, western region, headquarters, Winnipeg.

**Confederation Life Association (Toronto)**—D. F. Chubb, manager, Ottawa; T. E. Wright, manager, St. Catharines; R. H. Kay, manager, new branch Toledo; W. J. Farnsworth, acting manager, New Westminster; F. P. Price, to personal production field; E. G. Devlin, manager, new Toronto-Bay branch, Toronto. A. B. Adam, manager, Philadelphia — City and J. P. Connor, Jr., manager, Philadelphia — Suburban branches, Philadelphia.

**Consolidated Industries Ltd. and Consolidated Motors Ltd. (Winnipeg)**—D. M. Fenny, general manager, Consolidated Industries and Parts and Accessories Division, Consolidated Motors Ltd.; A. G. Lush, to special duties, Consolidated Motors Ltd.

**H. Corby Distillery Ltd. (Corbyville, Ont.)**—H. W. Howlett, executive-assistant to the president; J. V. Boyle, director and manager, Canadian Industrial Alcohols & Chemicals Ltd., and management assistant, Ontario beverage sales; P. A. Langlois, director and manager; J. M. Douglas & Co.; P. E. Henault, sales supervisor, Quebec and Maritime provinces.

**Dye & Chemical Co. of Canada (Kingston, Ont.)** — Walter W. Metcalfe and Dan R. Atack, directors.

**French Ivory Products Ltd., (Toronto)** — George Welbourne, vice-president and general manager.

**Graham Bell Ltd. (Streetsville, Ont.)**—Homer S. Marion, executive vice-president and general manager.

**Hallicrafters (Canada) Ltd. (Toronto)**—Fred W. Bardgett, general sales manager.

**Hercules Powder Co. (Canada) Ltd. (Burlington, Ont.)**—Thomas G. Batchelor, managing director, headquarters to be established at Montreal; Raymond M. Bishop, sales manager, in charge sales of chemicals.

**Huron & Erie Mortgage Corp. and Canada Trust Co. (London)**—R. P. Baker and J. Allyn Taylor, joint general managers of both companies; V. P. Cronyn, vice-president Huron & Erie Mortgage Corp.

**International Equipment Co. (Montreal)** — Alec Turner, executive vice-president; J. N. MacInnes and H. W. Wreford, vice-presidents.

**John Labatt Co. (London)** — John P. Labatt, assistant to the president; D. G. McGill, director of purchases; R. H. Lafontaine, London purchasing agent.

**Montreal Trust Co. (Montreal)** — Hon. Brooke Claxton, D. E. Kerlin, directors.

**Murray Hill Limousine Service Ltd. (Montreal)**— R. G. Perry, vice-president in charge of sales.

**Mutual Life Assurance Co. of Canada (Waterloo)**—G. C. Francis, manager, King St. Agency.

**National Research Council of Canada (Ottawa)**—Dr. Peter M. Millman, to lead section on upper atmosphere research in Division of Radio and Electrical Engineering.

**Photo Engravers & Electrotypers Ltd. (Toronto)** — L. G. Johnston, plant superintendent, A. R. Leslie, superintendent photo engraving department, commercial division.

**Public Accountants Council for Ontario (Toronto)** — John S. Entwistle, president; J. G. Brown, Kitchener, vice-president; H. J. Cornish, London, secretary; W. J. Ayers, Toronto, treasurer; Ralph Davies, Guelph; W. P. Fazackerley, Windsor-Walkerville; C. K. MacGillivray, Hamilton; D. F. McKechnie, Ottawa; W. I. Hetherington, W. L. McDonald; S. A. Norman, E. A. Seburn, Guy Smith and J. A. Wilson of Toronto, members of Council.

**Royal Insurance Co. (Montreal)** — Gilles Drouin, superintendent Life Agencies for Canada.

**Royal Bank of Canada (Montreal)** — A. F. Mayne, associate general manager; R. W. Shannon, assistant general manager.

**Royal Trust Co. (Montreal)** — Maurice Forget, assistant general manager.

**Shell Oil Co. of Canada (Toronto)** —J. E. Hughes, general counsel and secretary.

**Thor-Canadian Co. (Toronto)** — Cecil E. Rawn, sales manager, new division opened to manufacture steel kitchen cabinets.

**J. Walter Thompson Co. (Montreal)**—J. Lingeman, radio and television director.

**Toronto Real Estate Board (Toronto)**—W. H. Dobson, president; H. C. McArthur, Clifford Rogers, vice-presidents; Raymond Bosley, D. Brownridge, G. E. Clemes, T. D'Orsay, George Hurst, Harvey Keith, W. L. Mason, Doug Henderson, directors; B. E. Willoughby, immediate past president.

**J. A. Willoughby & Sons Ltd. (Toronto)**—A. G. Bill Sanagan, director.

### Retirements

**Federal Department of Public Works, harbors and rivers engineering branch (Ottawa)** — Lt.-Col. A. A. Anderson, as chief engineer.

**Huron & Erie Mortgage Corp. and Canada Trust Co. (London)**—Morley Aylsworth, as general manager, continues as president, both companies.

**Mutual Life Assurance Co. of Canada (Waterloo, Ont.)**—James Crossland, as manager King St. Agency, Toronto.

# Assets of Globe and Mail Purchased by Montreal Man

MONTREAL (Staff)—The new owner of Canada's biggest morning newspaper is expected to reach Toronto late this week to take a close look at his $11 million baby and meet the people now running it.

Reginald Howard Webster, 45-year-old Montreal financier, termed his sudden entry into the newspaper business "quite a surprise."

The figure suggested in the purchase is $10,950,000. He is understood to have bought the assets, not the stock, with the McCullagh estate thus keeping the $2.5 millions in accumulated earnings.

MR. WEBSTER

No changes are expected in the Globe & Mail's appearance, news coverage or editorial policy. Said Webster, a dark horse in the bidding: "We'll carry on the way it's been going."

The new owner is the third son of the late Senator Lorne Webster, who amassed a fortune, mainly from coal. He hasn't decided yet how active a part to play in operation of the newspaper, nor whether he might move to Toronto to be on the scene.

Webster, a bachelor, has spent much of his business life in the U. S.

But the family is well known in the city and the rest of Canada. Large holdings in oil, banks, real estate, industry, etc. were inherited by Senator Webster's four sons and one daughter when he died in 1941. The family is generally believed to have no hidebound political attachments.

The eldest son, Colin, runs a big wholesale coal firm in Montreal, Canadian Import Co.

Reginald Howard, the third boy, was a brilliant student, educated at Lower Canada College and McGill University. He graduated in arts in 1931.

During the 1930s, he bought a U. S. fur company, and ran it for a few years. Then he branched out into lumbering and real estate below the border.

Biggest deal of recent years by the Webster family in the U. S. was purchase of the 47-story Penobscot building, Detroit's biggest, for $17.5 millions.

Today R. Howard Webster lives alone in the big Westmount home. He used to play some tennis, badminton and squash, but now pretty well confines himself to golf.

The new Globe & Mail owner is on the following boards of directors: Imperial Trust Co.; Annis Furs (Detroit); Holt, Renfrew & Co.; Acadia-Atlantic Sugar Refineries Ltd.; U. S. Radiator Co.; Eversharp Inc., Southwest Lumber Co.; Central Coal & Coke Corp.; Penobscot Building Inc. and Davis Leather Co.

In Montreal, he works out of the Imperial Trust Co. offices on St. James St. He also spends a good deal of time in Detroit.

## Pressed Metals Still Seeking Merger Deal

Pressed Metals of America, Inc., Port Huron, Mich. sales in January were $1,019,028, President J. W. Leighton reports in a letter to shareholders.

Sales in 1953 were $12.3 millions and in the first nine months of 1954, $6.2 millions. Final 1954 results are not yet available, but should be ready by Mar. 1.

Efforts to arrange a suitable merger or sale haven't worked out so far, the president noted. Companies the firm contacted "seemed to consider us a distressed corporation seeking liquidation, thus placing us in an unfavorable position to secure a proper offer," he said.

"To correct this wrong impression, we have developed new things on which we have been working."

Nine new products are about ready for introduction to the automotive trade, the president said. These require investments larger than the company alone could furnish, and several large concerns have been contacted with a view to possible merger.

Pressed Metals common has been trading on the Toronto and Canadian Stock Exchanges recently around $14½ a share, up from its 1954-55 low of $7 last May but still below the $15⅝ reached in July when company first announced it was considering liquidation of merger deal.

## Waterous Equip. Plans Redemption Of Preference Shs.

Waterous Equipment Ltd., Edmonton, has called for redemption its outstanding cumulative redeemable convertible 6% preference shares, $40 par, at $42.50 per share plus accrued dividends ($42.61 altogether). The shares will be redeemed April 1.

Dividends of 60c quarterly have been paid on the preference stock since they were offered at $40 a share in August, 1953. They are convertible into common on the basis of 7½ common for each preference share held.

A dividend of 25c a share was paid on the common July 20, 1954 and dividend of the same amount has been declared payable March 15 to holders of record March 1.

It's planned that common dividends will be paid semi-annually.

Net profit in 1954 (unaudited) was $169,451 or $1.05 a share (60½c in the 12 months of 1953).

The common stock has been selling recently $9½ a share and the preference around $67. Thus it's expected that most of the preference will be converted into common rather than turned in for redemption at $42.61.

Last date for conversion is March 17. Shares converted before March 1 will get $1.87½ in common dividends instead of the 60c preference dividend.

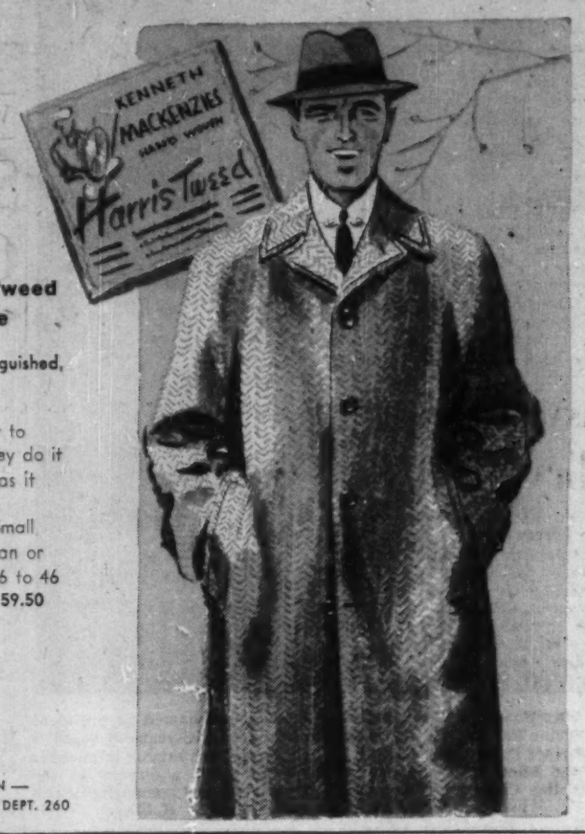
If all preference shares are converted, it will involve the issue of 56,250 common shares. At Dec. 31 there were 145,375 shares outstanding out of an authorized 206,250 common. The balance of 4,625 were under option to W. G. Christian, president and general manager, at $7 a share.

## P. Graham Bell Heads New Porcelain Firm

A new Canadian firm producing porcelain enamel products developed by Bettinger Corp. in the U. S. has named its officers and directors.

Graham Bell Ltd. of Streetsville, Ont., announced the following appointments:

Graham Bell, president; Homer Marion, executive vice-president and general manager; George Burton, vice-president in charge of engineering; Joseph W. Axon, vice-president in charge of production; John D. Reilly, secretary-treasurer; and as directors, Bell, Thomas M. Fyshe, Richard J. Roberts, Robert A. Weaver, Jr., Archibald D. Russel, Arthur D. Shaver, Frederick D. Shaw, Gardiner Perrin, Albert Gorbridge.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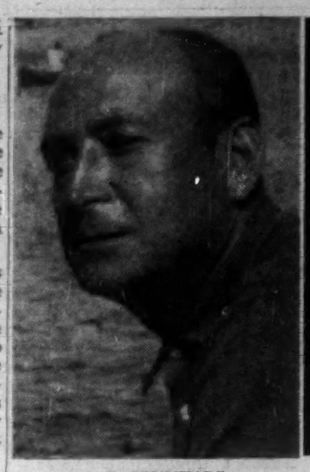
# Canadian Dollar Premium Cut As Interest Rates Dip Here

OTTAWA (Staff) — The Canadian dollar this week hit its lowest level in six months. Premium was 2¼%, compared with nearly 3% late last week.

At the same time it was revealed that the official operations of the Exchange fund in January led to a net sale of U. S. dollars. The official reserves were reduced by $7 millions over the month, reversing the pattern of the previous three months. In November and December the fund was bucking a rise in the Canadian dollar by buying U. S. dollars at the rate of $21 millions a month.

There were only three months in 1954 when the official exchange fund operations led to a net sale of U. S. dollars. They were the months of March, April and September, the months when the upward pressure on the Canadian dollars was eased.

Authorities here are always quick to point out that there are so many varying influences operating on the foreign exchange market that it is never safe to try to isolate one particular cause for its fluctuations. But many observers are connecting this year's strengthening of the U. S. dollar with the relationship of interest rates in Canada and the U. S.



M. S. JENNINGS

HUGH PATON

**Principals in the purchase of BirdsEye Foods (Canada) Ltd. from Unilever, London, Eng.**

# 'Easy Money' Policy to Stay

(Continued from page 1)

private borrower. But it does indicate that our monetary policy still favors easy money.

In the U. S. and the U. K., loans from the central bank are a more or less regular feature of the money market, and the bank rate has a direct relationship to other interest rates because it sets a sort of minimum rate at which banks can get their money in the last resort.

In Canada, the chartered banks have never made regular use of the chance to borrow from the Bank of Canada. In the past six months, only one of the weekly statements of Bank of Canada assets and liabilities showed an advance to a bank; that was on Jan. 19, when the amount was $1 million.

Investment dealers have also used the central bank's loan facilities sparingly. Some have borrowed during periods of temporary stringency on the day-to-day money market, but these loans have been quickly repaid.

Thus the Canadian bank rate has remained a largely academic figure, and its rare changes have had symbolic rather than practical effects. (The rate was 2½% from the founding of the Bank of Canada in 1935 until Feb. 7, 1944; 1½% until Oct. 17, 1950; and 2% until last Monday.)

This time the Bank of Canada is plainly trying to get its lending rate into a more practical relationship with the money market. In an official statement explaining the move, this purpose is clearly spelled out — with a broad hint that the rediscount rate will change much more frequently from now on.

Viewed in this way, the change to a more flexible and realistic bank rate is the latest in a series of steps over the past two years to encourage the development of a short-term money market in Canada comparable to those in New York and London.

The last of these steps was the creation of a day-to-day loan market in June, 1954. Now that the Canadian market for short-term money is becoming so much wider and more active, the mechanism of short-term loans from the central bank is one which should be put into commission, it is felt here—and reduction of the bank rate to 1½% is regarded as a start in that direction.

The long-term effect will be to give bank rate a practical as well as a symbolic importance, and greatly to strengthen the influence which the Bank of Canada can wield through changing it.

Once the bank rate has established a real relationship to other interest rates, the money market and the chartered banks may start to use the Bank of Canada as a source of short-term funds. This will mean that future changes will be more significant than they have been in the past.

This interpretation of the present change is better than the view of some observers who claimed it was a sudden attempt to do something about unemployment. There has been no new or sudden alarm about unemployment or about the economic situation. The Government has consistently taken the view that Canada was facing no immediate danger of inflation, that there was some slack in the economy, and that everything should be done to make it easy to borrow money for productive purposes.

Even since the end of January, when the possibility of differing views between the two countries first became strongly apparent, Canadian short- and long-term rates have eased. Ninety-day treasury bills, which the Bank of Canada sold at a yield of 0.98% at the end of January, were down to 0.78% last week. After their sale, they became even stronger and sold "on the street" at 0.70% yield before falling back to a 0.75% yield early this week.

On the day-to-day loan market, the interest rate stiffened this week. Investment dealers were inclined to attribute the change to a sudden and probably temporary shortage of money for this purpose at the chartered banks. Dealers had been paying the banks the all-time low interest rate of ½% as late as Monday, but by the close of business on Tuesday the prevailing rate was ¾%.

# Key Argument In Water Debate

(Continued from page 1)

would "adjudicate" a river — settling who had claim to the use of its waters.

**Boundary Waters Treaty**

Now all this is the essential background to the arguments about Article II of the Boundary Waters Treaty, cited by Mr. Howe as the root of the International Rivers Bill.

Article II is the one which authorizes diversions, such as the proposed diversion of the Kootenay into the headwaters of the Columbia and of the Columbia flood waters into the Fraser.

It says—the clause having been inserted on U. S. insistence—that each country has "the exclusive jurisdiction and control over the use and diversion of all waters on its own side of the line which in their natural channels would flow across the boundary."

It is, in itself, to some extent an assertion of the western doctrine of "appropriation" against the eastern doctrine of riparian rights.

But it is subject to one qualification which must give any upstream state some pause in asserting its right. The qualification was Canada's contribution to the treaty — and it was in its day unique, though it has since been followed by the Scandinavian countries.

**Appeal to Courts**

The qualification is this: If waters are diverted on one side of the boundary to the "injury of" someone on the other side of the boundary, then the injured party has the same rights to sue in the courts of the country where the diversion was made as if he were a citizen of that country.

In other words: If Canada diverts the floodwaters of the Columbia into the Fraser, an American — perhaps the Bonneville Power Administration which controls Grand Coulee Dam — may feel he is injured. If he does he can take action in the Exchequer Court of Canada. There he has the same rights as if he were Canadian.

These rights will be judged by the law of Canada, which in this case will be the law of British Columbia, with its concept of water appropriations.

All this leads up to the vital and still unsettled principle of law. Here is the question:

—Given the whole western conception of rights of "appropriation" in the flow of water, can any flow once granted ever be cut off without exacting tremendous damages?

Apologists for the B. C.-Kaiser deal say it is a contract for only 50 years, and B. C. is unlikely to need that little bit of power for 50 years.

But they overlook the chance that the U. S. might establish a right—technically, an "appropriation"—to a certain flow of water which would be valid for ever.

**Columbia-Fraser Project**

You can see it more clearly if you consider the project for diverting the Columbia flood-waters into the Fraser.

Reporting on that plan on December 25 The Post said:

"To avoid any U. S. complaint of injury from the proposed diversion, Canada must, it is believed, maintain the flow which is used at the Grand Coulee dam. This amounts to a flow of 85,000 cubic feet per second, plus 5 million acre-feet to fill up the Grand Coulee reservoir."

In an average year it costs Canada nothing to ensure that amount of flow to the United States—plus any extra that the U. S. may claim on account of irrigation commitments lower down. But in a year of low flow, it might be a considerable embarrassment to have to maintain so large a flow to the United States.

The state of western law on "appropriations" of water is the key to all this argument.

No flow of water once assured to the United States can be interrupted without risk of U. S. action in the Exchequer Court of Canada claiming to establish injury.

If the Exchequer Court—and on appeal the Supreme Court—upholds the doctrine of "appropriation" of water rights which runs (in varied forms) through most western law, then Canada (or B. C. as the case might be) could find itself liable to pay hundreds of millions of dollars in damages to the United States—simply for interrupting a flow which the U. S. was using.

## Auto Production

| | Week Ends Feb. 11 | 1955 To Date |
|---|---|---|
| CARS | | |
| Chrysler | 2,149 | 12,414 |
| Ford | 1,024* | 1,024 |
| General Motors | 3,842 | 23,056 |
| Hudson | 20 | 180 |
| Nash | 41 | 166 |
| Studebaker-Packard | 298 | 1,349 |
| Totals | 7,374 | 38,189 |
| Previous week | 6,444 | ..... |
| TRUCKS | | |
| Chrysler | 62 | 551 |
| Ford | 670* | 670 |
| General Motors | 312 | 2,636 |
| International | 131 | 693 |
| Totals | 1,175 | 4,550 |
| Previous week | 533 | ..... |

*First full week after strike.

# Shop Centres Get New Push

(Continued from page 1)

adjacent to new residential construction.

**Dorwin Plans**

At Windsor, a syndicate of Windsor and Detroit men plan to build a $3.8 million centre. The Dorwin Shopping Centre has set up headquarters at Walkerville and is now screening merchants for its development, which will be in Sandwich West, outside Windsor.

Detroit Mortgage & Realty Co., Detroit, is handling the leasing.

It is negotiating with a major U. S. department store chain to occupy the focal point of the centre. A target of 25 stores, 1,200 ft. of frontage and 3,000 parking spaces has been announced. This frontage would put it among the largest centres in Canada. The sponsors are terming it a regional shopping centre; that is, it is intended to serve people from outside Windsor as well.

They do not think Detroit will act as a counter attraction to such a big venture. "Why would anyone want to make a long trip to downtown Windsor, fight hrough traffic in downtown Detroit and then smuggle his purchase back when he can shop at Dorwin in equally fine stores without parking or traffic problems," asks R. H. Pease, of Detroit Mortgage.

A new Dominion Store, now built, adjoins the site. The syndicate bought their land from Dominion Stores Ltd. Three banks have shown interest in locating there but only one will be accepted. As far as possible there will be no duplication of shopping services, but service will be as complete as possible.

A professional building will make it possible for shoppers to visit the doctor or dentist.

It is planned to take some time mapping details and selecting merchants. Real Estate Research Corp., Chicago, are consultants.

Principal Investments Ltd., a private real estate investment firm which does its own construction, is Canada's largest commercial landlord. It has various types of commercial property on long-term leases to businesses in most parts of Canada. However, its large shopping centre program was till fairly recently concentrated in the Metropolitan Toronto area.

Its entry into Quebec will be a highly significant development for that province. A number of large shopping centres have been built at Montreal by local sponsors.

Principal Investments has now completed a centre at Kitchener with 650-ft. frontage with about 20 stores.

At Ottawa, its Billings Bridge centre is being built in two sections. The Loblaw's store is open in the first section on which construction is near completion.

Work will start this spring on Principal Investments large Carling Ave. shopping centre next to Simpsons-Sears Ltd. new store. This centre will have some 1,200 ft. of frontage and will rank with the firm's Golden Mile Plaza at Toronto, which cost around $4 millions.

The department store being built by Principal Investments at Toronto's Lawrence Plaza centre for Morgans, of Montreal is ahead of its construction schedule. It is now roofed in, and should open about Aug. 1.

Construction is also under way on a Principal Investments shopping centre on the Mountain at Hamilton.

Principal Investments' sixth major shopping centre in Greater Toronto is under construction at Dixie Road and the Queen Elizabeth Highway. It will open by this fall, with more than 30 stores. Cost is estimated at $3.5 millions. There will be two supermarkets, two variety stores, two junior department stores, three banks, two shoe stores.

## Look For It Here

**February 19, 1955**

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# Labor, Management Ready For Hard Bargaining Days

(Continued from page 1)

planning ambitiously. It wants wage and benefit increases.

**Construction:** Negotiations are almost certain to be long and could flare into major strikes. Builders fear the effect of giving workers anything which may boost construction costs. There's some hope unions may realize that—unless business bounds upward—substantial increases aren't justified in most cases.

**Textiles:** Union resistance to talk of wage cuts is stiffening. If the industry continues in its tight squeeze between cost and price, there may be trouble. Affiliates of the CCL, CCCL and TLC are co-operating to fight wage cuts in the full-fashioned hosiery industry (The Post, Jan. 29).

**Electrical manufacturing:** Long negotiations look likely. Profits have been slimmed by keener foreign competition and companies want no increase in already high labor costs.

Unions may be forced to settle for non-monetary benefits, maybe not many of these. Westinghouse could set the tone, since negotiations at Canadian General Electric aren't scheduled until late in the year.

**Railways:** Non-operating unions soon will sign a master agreement to run until the end of 1955. New negotiations may or may not begin before the end of the year. Over-all, the thorough-going negotiation, arbitration and settlement of last year may lay the base for a fairly peaceful labor year on the railways. Talks this year will centre on contracts with operating employees.

The details of last week's settlements:

**The CBC:** 770 members of the CIO-CCL Broadcast Employees and Technicians got across-the-board increases of 5%, with promise of promotions for some and improvements in working conditions. The Union had demanded an average 25% pay hike.

**Dominion Oilcloth & Linoleum Co.:** 1,150 employees went back to work after a three-month strike. A budding linoleum shortage was quashed as the Quebec plants resumed production. The CCCL Linoleum Workers Union settled for 5c for men, 4c for women, retroactive to last March 15, plus 4c and 3c beginning next March.

**Standard Sanitary and Dominion Radiator Ltd.:** A 113-day strike for which the Steelworkers International soon lost enthusiasm finally ended with 750 strikers getting a 2c hr. increase, another 3c July 1, plus some fringe benefits. Earlier the International had favored acceptance of similar company offers, once had cut off strike pay to force the strike committee to resume maintenance of boilers and kilns.


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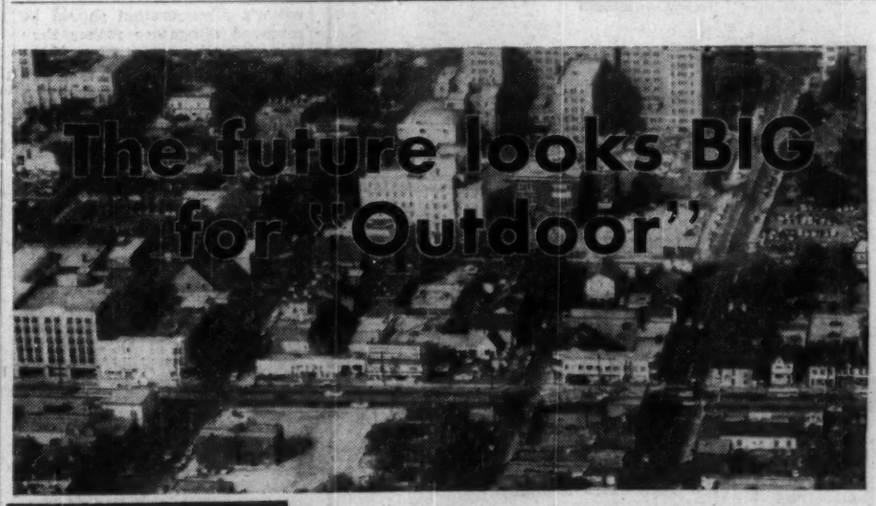

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Director of Sales — Neon Division

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Director of Customer Relations

Mr. Dixon's 25 years of advertising experience include service as an agency account executive and as an advertising manager. He has enjoyed a long association with outdoor media, having directed advertising for E. L. Ruddy Co. and Painted Bulletin Operators during the past 12 years. His acquaintance with the needs of advertisers and their agencies, together with his general knowledge of the national picture, is available to assist you in the planning, creating and merchandising of your outdoor schedules.

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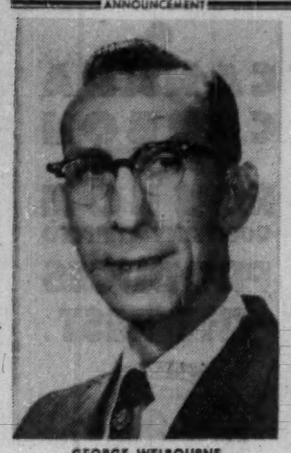

GEORGE WELBOURNE

Mr. Welbourne has been appointed Vice-President and General Manager of The French Ivory Products Limited, which Company has been recently purchased by M. Wintrob & Sons Canada Limited. Mr. Irving D. Wintrob is President and Mr. Hart D. Wintrob, Secretary of the newly acquired company. Mr. Welbourne occupies the same position with Plasti-Pak Containers Limited.

Both Plasti-Pak Containers and French Ivory Products will occupy the Plastics Avenue, Queensway, Toronto plant of the latter Company.

Plasti-Pak will specialize in the design, development and production of plastic containers for packaging and French Ivory Products will offer its experience and background to industry in the custom moulding of thermoplastics.

**CANADIAN OIL COS.** issued an additional 14,000 common shares under the employee stock option plan, together with 92,245 additional shares by virtue of stock purchase warrants attached to the 5% debentures. There are 1,116,665 shares outstanding.

**THE ANNUAL REPORTS**

By PAUL S. DEACON

# *Do They Tell All They Should?*

## New Suggestions By CA's Show Improvement Needed

With the big season for annual reports at hand and the number and variety increasing each day, investors will be giving these documents careful study in coming weeks.

Whether they learn what they want from their study depends to a great extent on how companies interpret their responsibility to report to their owners.

Legislation on what constitutes adequate reporting differs widely in Canada, but fortunately, more and more companies are thinking about what shareholders ought to know rather than what they have a legal right to know.

Generally speaking, legislation in recent years has been based on a policy of "full disclosure." This has applied not only to annual reports and financial statements, but also to information supplied in connection with offerings of securities.

Ontario passed a new Corporations Act last year which made great improvements in the quality of protection afforded investors in public companies. Saskatchewan brought in improved legislation modeled on the Ontario Act shortly after and Alberta is studying similar action. Quebec at the moment is working on a new Securities Act with more teeth.

The process of improving laws and regulations is a continuing one, however. Even where improvements have been made, experience working under those rules and regulations shows up defects and suggests further improvements.

In Ontario, for instance, the provincial Institute of Chartered Accountants has proposed an amendment to the virtually brand new Corporations Act which has considerable importance for investors.

The C.A.'s point out that the new Act at the moment merely requires the disclosure of the total remuneration of "directors as such." They feel that this will be interpreted generally as meaning that the amount paid to directors as officers or employees will not have to be shown.

"The original recommendations of this Institute dealing with the information to be disclosed in the annual financial statements were prepared with the objective of providing shareholders with reasonably full information as to the results of operations and the financial condition of a company which it was felt, as shareholders, they should receive.

"Since the directors of a company manage it on behalf of the owners, i.e. the shareholders, and since the directors usually have the power to fix the remuneration of officers and employees and of those who render services to the company in any capacity, it is, in our opinion, in the interests of all concerned that shareholders be informed of the amounts paid to directors as directors and paid to them as officers and employees."

The Institute went on to say that disclosure only of "remuneration of directors as such" will mislead many shareholders. Inevitably, some will believe this is what directors received for all their services, including their services as officers or employees, even though the undisclosed remuneration may be far greater than the amount disclosed.

The Institute suggests that the requirement for disclosure of director's remuneration should be removed altogether rather than leave it in its present form, if the Government is unwilling to amend the Act along the lines suggested.

Not long ago, the American Institute of Accountants brought up an important point in connection with the reports made by auditors to shareholders.

Normally, the auditor is considered to be fulfilling his responsibility to shareholders if he gives an account of his examination of the company's affairs during the fiscal year under review.

The U. S. body's committee on auditing procedure, however, decided that in certain circumstances, the auditor should also be responsible for discovering and disclosing events which occur or become known after the date of the financial statement, but before the date of his report.

The committee states that the auditor should disclose such events, if he knows of them, when they directly affect the financial statements, or have other effects which make disclosure advisable (they cite such instances as mergers, or serious damage from fire).

These are just two examples of the type of progressive thinking that is being applied to the study of more adequate disclosure. It's significant that professional accounting bodies are taking such an active role in promoting the development of better reporting by public companies, because they are groups which are entrusted with the job of double-checking company operations on behalf of millions of investors.

The accountants aren't the only ones who should be studying present practices, however. Companies and their shareholders should be on the lookout for practical ways of improving the present standard of reporting.

Greater uniformity in federal and provincial legislation would undoubtedly help. But complete uniformity seems a long way off, the way such things work. In the meantime, management and shareholders can da a lot to aid mutual understanding of common problems through more thorough examination of present reporting procedures.

## 114 Stocks' Yield Averages 4.49%

Average yield a 114 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of Feb. 14, was 4.49%, off .02 from the preceding week. Current yield compares with 4.54% one month ago and 5.43% in the corresponding week last year.

Here is the yield by the various groups:

| | Feb. 14 | Week Ago | Month Ago | Year Ago |
|---|---|---|---|---|
| | % | % | % | % |
| Common ... | 4.27 | 4.30 | 4.40 | 5.31 |
| Pfd. & A .. | 4.44 | 4.44 | 4.46 | 5.09 |
| Mining ..... | 5.35 | 5.31 | 5.32 | 6.38 |
| Banks ..... | 2.98 | 3.03 | 3.13 | 3.80 |

## Detroit Bridge Dividends Only Partly Taxable

Dividends of the Detroit International Bridge Co. paid in 1954 will be taxable to the extent of just one half the amount received and the balance represents return of capital.

This information is contained in a letter to stockholders which points out that based on the advice of counsel and subject to review by the U. S. Treasury Department, distributions made by the company in 1954 are taxable to the extent of 56.2673%. The remainder is non-taxable on the ground that it is distribution of capital. Last year the proportions were 72.2762% and 27.7238%.

President C. Clinton Campbell states in the letter that these percentages apply not only to 1954 dividends, but also to accumulated dividends of prior years received in 1954 as a result of bond or debenture conversions.

The letter also points out that when the total capital distribution received by the stockholder exceeds the cost basis of the stock, the distributions are considered to be capital gains.

## Que. Ammonia To Build Plant At Contrecoeur

MONTREAL (Staff) — Construction of the $7.5-million ammonia plant for Quebec Ammonia Co. (F. Post, Feb. 12) will begin this spring at Contrecoeur, near Sorel, Que. It is expected to be in operation by mid-1956.

Lummus Co. of Canada Ltd. has been awarded the contract for design and construction of a 125-ton-per-day anhydrous ammonia plant together with a nitric acid and ammonium nitrate plant capable of converting one half the output to nitrogen solutions. The latter is used exclusively in agriculture.

The plant will be a completely integrated operation including processing units, storage tanks, boiler plant, cooling tower and shipping facilities.

Quebec Ammonia is one of four companies which have been considering construction of an ammonia plant in Quebec. Others are: Canadian Industries Ltd. 1954, Dow Chemical of Canada, Shell Oil Co. of Canada.

Quebec Ammonia will establish an office in Montreal but will have head offices in Contrecoeur when the plant is completed. Directors will be named shortly.

A company spokesman said the company has an additional $1 million in working capital.


**An Attractive Situation**

The Shawinigan Water and Power Company is one of the largest Canadian producers of electricity while a subsidiary is an important unit in the Canadian chemical industry.

Earnings of the Company have risen from $1.06 per Common Share in 1945 to $2.84 last year. Dividends have been paid regularly since 1907, and amounted to $1.45 per Common Share, including a 25¢ extra, in each of the past five years. The Common Shares are currently quoted at about $54.

Shawinigan Shares may be purchased through the currently outstanding Warrants, which expire February 28th and are quoted at about 80 cents. The Warrants entitle the holder to subscribe for one share at $46 for every 10 Warrants held.

We shall be glad to arrange the purchase and exercise of Shawinigan Warrants on your behalf. Further information will be provided on request by mail or telephone.

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## Exchange Plan For Brown Co. Expected Soon

MONTREAL (Staff) — A plan for offering Brown Co.'s first preferred shareholders' bonds and common stock in exchange for their holdings will be announced soon, perhaps early next week.

Whether Brown should call the first preferreds has been a live issue ever since the company sold its Canadian properties late last year for some $43 millions cash. Now, President L. F. Whittemore tells The Post, a plan for clearing the shares has been worked out which "would not be unduly burdensome to Canadian shareholders."

The plan had not been approved by directors at mid-week, thus President Whittemore could not disclose details. But local investment circles said thinking was along these lines:

—Holders will be offered $100 of 4½% debentures plus one common share for each first preferred share.

—The first preferreds are convertible into common stock on a seven-for-one basis, thus whether such a plan would be attractive depends on the price of the common stock.

This week, Brown common was trading at about $16; at that price, first preferred holders by converting, would get stock valued at $112. An exchange plan giving $100 of debentures and one common share, on the other hand, would yield $116.

It's generally assumed that the board, and most common shareholders, would like to see the preferred shares exchanged rather than converted, for liquid assets of the company are estimated at about $10 per common share, total equity at over $25 per common share. Conversion of the preferreds, which are callable at $100, would mean issuing common shares at about $14 apiece. Thus, it's felt, equity of the common shareholder would be diluted.

Holdings of Brown first preferred in Canada are large — one source estimates about half the 142,741 shares outstanding. President Whittemore did not enlarge on his remark that the proposed plan "would not be unduly burdensome to Canadian shareholders," but it is assumed that this refers to taxes.

Clearing of the preferreds — one way or the other — will leave Brown Co. with common shares as its sole stock capitalization. If they are exchanged, roughly 2.1 million shares will be outstanding; if converted, close to 3 million.

Brown Co.'s $12 millions of bonds were redeemed from proceeds of the sale, along with 51,541 second preferred shares. Leopold Renaud, a Montreal common stockholder, tried to force a commitment from management to call the first preferreds, but was unsuccessful.

**BELL TELEPHONE CO. OF CANADA** has issued 10,305 shares of capital stock during January under the employees' stock purchase plan. There are 11,770,254 shares outstanding.

## Guaranty Trusts Offers Rights

Shareholders of the Guaranty Trust Co. of Canada of record Feb. 14 are being offered the right to subscribe for an additional 50,000 shares at $15 a share on the basis of one for each four held. Rights expire March 16. Recently, shares traded at 18½.

Owing to the company's growth, says President J. Wilson Berry, an increase in capital is appropriate and can profitably be employed.

Combined assets of the company have risen 67% in the last five years and 402% in the last 10. On completion of the present issue, paid-up capital and reserve fund account of $3.75 millions will be more in line with volume of business transacted and in better proportion to company's assets and assets under administration of $100,438,000, noted the president.

## Prov. Transport Cuts '55 Dividend

MONTREAL (Staff) — Provincial Transport Co. has reduced its first quarterly dividend for 1955 to 10 cents per share to conserve the cash position of the company, Victor M. Drury, president, has announced.

It is payable Feb. 28 to shareholders of record Feb. 19.

In common with other transportation companies, Provincial Transport experienced a reduction in earnings last year. However, dividends for 1954 were paid at the quarterly rate of 25 cents per share although they were not fully earned during the year. It was felt that shareholders were entitled to some part of the previous years' earnings retained in the business.

**ABITIBI POWER & PAPER CO.** has issued 378,136 common shares out of the 400,000 shares held in reserve in respect of the 4¼% convertible debentures. At Jan. 25, there were 4,154,068 common shares outstanding.


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The Bank has offered its shareholders of record on January 7, 1955 the right to subscribe for 3 new shares at $32 per share for each 7 shares held. Warrants evidencing this right to subscribe for shares expire on May 3, 1955 and should be exercised before that date.

We recommend that present shareholders increase their holdings of the capital stock of this progressive Bank by taking advantage of this offer and subscribing for the additional shares to which they are entitled. For investors who are not now shareholders, we recommend that they consider strengthening and further diversifying their investment portfolio by acquiring Imperial Bank shares in the open market or through the purchase and exercise of warrants.

To facilitate the payment for shares purchased through the exercise of warrants, the Bank has provided that the subscription price may be paid in 10 monthly instalments of $3.20 per share, beginning on May 3, 1955.

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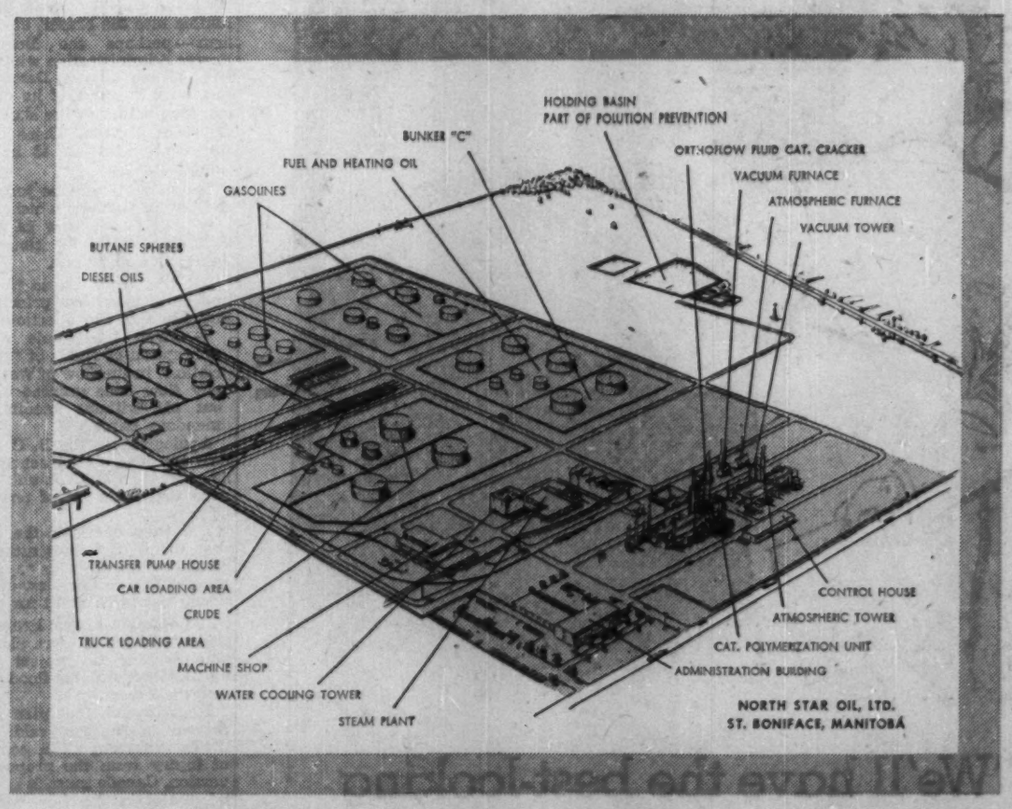


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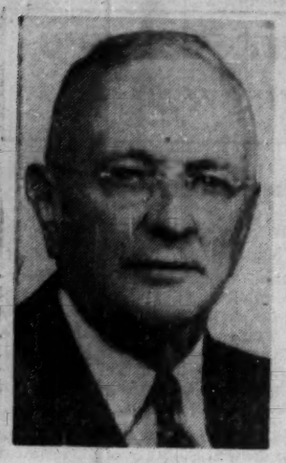

COL. W. H. PRICE, Q.C.

Former Attorney-General of Ontario who has been appointed director and secretary-treasurer of Blue Rock Cerium Mines Limited, of which Hugh G. Ross, Montreal, is president and H. G. Pitt, Madoc, is vice-president. The Company is currently exploring by diamond drilling its Bancroft-Haliburton uranium property south of Tory Hill.

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The shares of Jet Oils Ltd. should be exchanged immediately for Pathfinder Petroleums Limited. Stock should be sent to The Royal Trust Company, 8th Avenue West, Calgary, Alta., for exchange: basis of exchange 4.71 shares of Jet Oils Ltd. for 1 share of Pathfinder Petroleums Limited.

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**THE INVESTMENT FUNDS**

# Here Are Canadian Stocks Bought By One U.S. Fund

What do foreign investors like in Canadian stocks?

One answer is being supplied by the investment funds which are being set up here by U. S. financial groups. Scudder Fund of Canada, Templeton Growth Fund of Canada, New York Capital Fund of Canada, Canada General Fund, Keystone Fund of Canada, United Funds Canada, are among the new nonresident-owned investment companies with the bulk of their money in Canadian stocks.

So far only two have reported their holdings — Scudder Fund (The Post, Jan. 1, 1955), and now New York Capital Fund of Canada.

The new fund began operations in August last year, with an issue of a million common shares which netted the company $23.4 millions, or a starting net worth of $23.35 a share. Based on year end prices total net assets of the fund stood at $24.9 millions at Dec. 31, 1954, equivalent to $24.85 per share.

Here is how the net assets break down:

| SUMMARY OF ASSETS | Value in U.S. $ | % of Net Assets |
|---|---|---|
| Cdn. Govt. & corporate obligations | 7,605,538 | 30.5 |
| Foreign Govt. & corporate obligations | 3,685,100 | 14.8 |
| **Equities and equivalents** | | |
| Oil and gas | 2,812,645 | 11.3 |
| Metals and mining | 2,727,758 | 11.0 |
| Paper | 1,717,026 | 6.9 |
| Food, beverages, hshld. goods | 1,521,250 | 6.2 |
| Util. (elec., gas., tele.) | 1,198,070 | 4.8 |
| Pipe lines | 1,050,633 | 4.2 |
| Finance | 645,032 | 2.6 |
| Life insurance | 383,068 | 1.5 |
| Building materials | 375,244 | 1.5 |
| Steel | 344,189 | 1.4 |
| Electric & electronic | 305,696 | 1.2 |
| Automotive | 225,664 | 0.9 |
| Theatres & television | 146,216 | 0.6 |
| Cash & rec'ables (net) | 109,973 | 0.5 |
| Total | 24,853,112 | 100.0 |

The biggest single section of the fund is still in Government obligations. They constitute interest-bearing reserves on which the fund can draw as opportunities arise in the securities markets or in special situations, company points out.

About one third of the total assets are invested in primary producers — oil and gas, metals and mining, paper companies and pipe lines.

About 28% of the assets are invested in obligations and securities outside Canada — notably Venezuela, Australia, South Africa, Mexico, Japan. Under the constitution of the fund, no more than one third can be invested outside Canada and the U. S.

These out-of-Canada holdings are described as "hard-working issues giving attractive returns without the assumption of undue risk." Together with the equity portion of the portfolio, they constitute the active investment interests.

On the basis of present dividend and interest rates, it's estimated that the gross annual income of the fund is about $1 million before corporate expenses, taxes and advisory fees.

Shares of the fund are redeemable at net asset value, giving the fund the features of an open-end trust.

Here are the details of the fund's portfolio at Dec. 31, 1954:

| Priorities & Equivalents — Amount ($ 000) | | *Mkt. at Dec. 31 1954 $ |
|---|---|---|
| 1,500 | Canada 2% 10/1/57 | 1,555,840 |
| 2,000 | Canada 3¼% 10/1/79 | 2,067,725 |
| 2,000 | CNR 4½% 2/1/56 | 2,122,500 |
| 1,000 | Cdn. Accept. Corp. 2¾% Note 5/25/55 | 1,014,021 |
| 200 | Cons. Fin. Co. Series B, Collat'l Term Note 3½% 3/10/55 | 206,410 |
| 100 | Laur. Accept. Corp. 3½% Short Term Secur. Note 5/20/55 | 103,516 |
| 300 | Union Accept. Corp. 3% Note 8/22/55 | 310,548 |
| 225 | Ventures Ltd., 4½% 15 yr. Debent. 10/1/69 | 225,000 |
| 300 | Am. & Foreign Pwr. Co. 4.80% Jr. Debent. 1/1/87 | 229,875 |
| 151 | C'wealth of Australia, 3¼% 8/1/56 | 152,132 |
| 100 | C'wealth of Australia, 3¼% 6/1/57 | 101,000 |
| 85 | Imp. Japanese Govt., 6% sterl. loan, bd. of 1907 assented 1962 | 304,385 |
| 100,000 | Shs. The Mex. Eagle Oil Co. | 313,000 |
| 9,132,650 | Bols. Venezuela Intern. Near Term Obligations | 2,584,708 |

| No. of shares | Stock | *Mkt. at Dec. 31 1954 $ |
|---|---|---|
| 7,500 | Ind. Accept. Corp. | 419,233 |
| 5,000 | Traders Finance Cl. A | 225,794 |
| 10,000 | Distillers Corp. | 343,750 |
| 10,000 | Dominion Stores | 307,959 |
| 5,000 | Loblaw Cl. B | 354,541 |
| 500,000 | (hfl.) Unilever n.v. ord. shs. & bearer warr. | 515,000 |
| 200 | Crown Life | 383,008 |
| 20,000 | Interprov. Pipe L. Co. | 831,445 |
| 12,000 | Trans Mtn. Oil | 419,238 |
| 5,000 | Famous Players | 148,216 |
| 15,000 | B. C. Power | 407,593 |
| 30,300 | Gt. Northern Gas | 166,236 |
| 98 5 | M Gt. Northern Gas, 6% s.f. debs. 12/15/73 | 113,218 |
| 50,000 | Philippine Tel. | 287,500 |
| 4,000 | Shawinigan W. & P. | 221,523 |
| 2,000 | Ford Motor Co. A | 225,664 |
| 5,000 | B. A. Oil Co. | 152,500 |
| 3,000 | Imperial Oil | 124,500 |
| 7,500 | International Pet. Co. | 214,688 |
| 10,000 | McColl-Frontenac | 367,480 |
| 15,000 | Royal Dutch Pet. | 1,081,875 |
| 26,000 | Royalite Oil 5¼% cum. redeem. pfd. | 780,508 |
| 20,000 | Triad Oil Co. | 91,094 |
| 10,000 | Abitibi P. & P. Co. | 279,492 |
| 10,000 | Bathurst P. & P. Co. | 424,414 |
| 5,000 | Hinde & Dauch | 310,547 |
| 12,500 | Powell River Co. | 562,866 |
| 6,100 | Westminster Paper Co. | 139,707 |
| 2,500 | Canada Cement Co. | 375,244 |
| 2,000 | Cdn. Westinghouse | 144,146 |
| 150,000 | (hfl.) N V. Philips' Gloeilampenfabrieken | 161,550 |
| 4,000 | Aluminium Ltd. | 311,000 |
| 10,000 | Brunswick M. & S. | 100,928 |
| 7,500 | Cerro de Pasco Corp. | 307,500 |
| 5,000 | Cons. M. & S. Co. | 159,155 |
| 15,000 | Falconbridge Nickel | 368,775 |
| 10,000 | Free State Geduld Mines | 171,300 |
| 10,000 | Gen. Min. & Fin. Corp. | 145,400 |
| 10,000 | Int. Nickel Co. | 588,750 |
| 4,000 | O'okiep Copper Co. | 280,000 |
| 13,000 | Pres. Brand Gold Min. Co. | 150,000 |
| 65,000 | Virg. Orange Free State Gold Mines Co. | 144,950 |
| 5,000 | Dom. Foundries | 106,103 |
| 5,000 | Steel Co. of Canada | 238,086 |

*Securities valued at closing prices, or, lacking sales, at the mean between closing bid and asked prices.

**BURNT HILL TUNGSTEN MINES**—The 1955 edition of The Survey of Mines showed current liabilities of this company at $277,581 as at July 31, 1954 instead of the correct figure of $27,581. Current assets at this date amounted to $351,581 including $332,703 cash and net working capital amounted to $324,000.

COL. H. T. GOODEVE

**has been appointed a director, B. Elliott (Canada) Ltd., Port Hope, Ont.**

## Ont. Steel Prod. 1st Quarter Off But Outlook Good

Sales and earnings of Ontario Steel Products Ltd. at the start of its current fiscal year were reduced due to the extensive model changes made this year by automobile makers, and labor difficulties in the automotive industry, the annual meeting was told. Fiscal year ends Sept. 30.

A great deal of work and time was required to produce jigs, tools and fixtures, and there was difficulty in securing necessary supplies, President E. S. Byers explained. Quantities of automotive components of many types, practically all of new design, had to be produced and stored pending receipt of shipping instructions.

Company is optimistic about the future, however. The growth in population, development of new suburban areas and establishment of plants in outlying areas and smaller communities where the motor car and truck are essential, make the long-term outlook bright, the president said.

The expansion of facilities through the bringing into production of the company's new plant at Milton, Ont., makes possible a more determined effort to obtain a greater percentage of non-automotive business, O. D. Cowan, vice-president and general manager, told the meeting.

## Coleman Coll. Seeks Waiver Jan. Interest

Holders of the majority interest in Coleman Collieries 5% first mortgage bonds plan to file a waiver of default with the trustee for the bondholders, in view of the court dispute over the reorganization of the company's funded debt approved at a meeting Dec. 29.

Bondholders are being asked by the management to waive any default by reason of the non-payment of interest due Jan. 1, 1955, on condition that the payment due on that date be made on Jan. 1, 1956. The waiver must be filed before March 31.

Similar action was taken in 1954 when the major holders of the bonds waived default due to non-payment of the Jan. 1, 1954 interest payable, on condition that the amount would be paid back over the next five years.

Under the reorganization plan proposed, the interest payments due in 1955 and 1954 would not be made at all, and bondholders would receive new bonds, half of which would be income bonds and the other half 5% bonds (The Financial Post, Jan. 1, 8).

Burns Bros. & Denton Ltd., Toronto investment firm which has instituted legal action against the company and the trustee for the bondholders in connection with the reorganization, is forming a bondholders' protective committee in conjunction with other investment firms. At midweek, holders of more than $1 million of the $7.3 million bonds outstanding had indicated they would support the committee, officials of Burns Bros. & Denton state.

## Point-of-Purchase Ad Competition In March

Entries for the 2nd Canadian Point-of-Purchase Advertising Competition will close March 12. Judging will take place March 15-17 and announced March 29 at the 3rd Canadian P-of-P Advertising Conference in Toronto. The competition and conference are sponsored by the Canadian P-of-P Advertising Institute of the Packaging Association of Canada.

## Dofasco Offers Stock at $12.50 To Stockholders

Dominion Foundries & Steel Ltd. plans to raise $3 millions through an offering of stock to shareholders.

Shareholders are being given the right to subscribe for one new common share at $12.50 a share for each 10 shares now held. The offer is to shareholders of record Feb. 21 and expires April 1.

The new shares are not offered to U.S. shareholders but U.S. holders may sell their rights for cash.

Company's annual report will be mailed to shareholders shortly, and the annual meeting is scheduled for March 4, President A. G. Wright states.

Common shares moved up on the announcement, and were trading around $21 at midweek against $19 two weeks earlier.

ANNOUNCEMENT

QUEBEC OFFICE MANAGER

J. CHARLES V. GRAVEL, Q.C., who has been appointed manager of the new Quebec office of MONTREAL TRUST COMPANY. Born in Quebec City, Mr. Gravel graduated in Law from Laval University and practiced from 1939 to 1952 with the legal firm of Gravel, Thomson & Gravel. He was Secretary and Legal Advisor to the Quebec Transportation Board until his resignation on appointment as Quebec Manager of Montreal Trust Company. He has also served as President of the Junior Bar of Quebec and as Secretary of the Bar of Quebec. Mr. Gravel is looking forward to serving the many clients and friends of the company in Quebec and vicinity.


**QUEBEC HYDRO-ELECTRIC COMMISSION**

3½% SINKING FUND DEBENTURES SERIES "M"

UNCONDITIONALLY GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE PROVINCE OF QUEBEC

TO MATURE MARCH 1, 1975

(CALLABLE ON OR AFTER MARCH 1, 1973 AT 100)

PRICE: 100 AND INTEREST

**BELL, GOUINLOCK & COMPANY**

LIMITED

ESTABLISHED 1920

MONTREAL TORONTO WINNIPEG

LONDON HAMILTON KITCHENER

**KERNAGHAN & CO. LIMITED**

*Members:* The Investment Dealers' Association of Canada

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2nd Floor, 67 Richmond St. W. Toronto

EM. 4-4256 EM. 8-4894

*As principals we offer subject to prior sale and change in price:*

**$35,000.00**

**TOWNSHIP OF SCARBOROUGH**

5% debentures maturing June 1, 1957

Price: to yield 3.30%

5% debentures maturing June 1, 1958

Price: to yield 3.30%

**BURNS BROS. & DENTON**

Limited

44 King St. W. Toronto 507 Place d'Armes Montreal

Ottawa Hamilton Winnipeg

*New Issue*

**$65,000,000**

# The Hydro-Electric Power Commission of Ontario

Guaranteed as to principal and interest by the

**Province of Ontario**

**$25,000,000 3% Bonds to mature March 1, 1963**

**$40,000,000 3½% Bonds to mature March 1, 1977**

To be dated March 1, 1955

Principal and half-yearly interest (March 1 and September 1) payable in lawful money of Canada at the holder's option at any branch of the Commission's banker in Ontario or in any of the Cities of St. John's, Newfoundland, Halifax, N.S., Charlottetown, P.E.I., Saint John, N.B., Quebec and Montreal, Que., Winnipeg, Man., Regina, Sask., Calgary and Edmonton, Alta., and Vancouver and Victoria, B.C.

The 3% Bonds due March 1, 1963 will be redeemable in whole or in part on thirty days' notice on March 1, 1962 or on September 1, 1962 at 100 and accrued interest, and the 3½% Bonds due March 1, 1977 will be redeemable in whole or in part on thirty days' notice on March 1, 1975 or on any interest date thereafter at 100 and accrued interest.

Coupon bonds, registrable as to principal, may be issued in the denominations of $500, $1,000 and $25,000 and fully registered bonds in the denominations of $1,000, $10,000 and $100,000. Coupon bonds and fully registered bonds, and the several denominations thereof, to be interchangeable.

Legal opinion of Messrs. Daly, Thistle, Judson & Harvey.

The above bonds are direct obligations of The Hydro-Electric Power Commission of Ontario and will be unconditionally guaranteed as to principal and interest by the Province of Ontario, the guarantee being endorsed on each bond. The proceeds of the bonds are to be applied to meet, in part, the cost of the acquisition of property, the construction of works and the reconstruction of equipment of the Commission and of others which have been duly authorized to be acquired, constructed and reconstructed by the Commission and to repay in whole or in part any temporary borrowings of the Commission for such purposes.

**Prices:**

**1963 Maturity: 100.00 and accrued interest to yield 3.00%**

**1977 Maturity: 99.75 and accrued interest to yield 3.52%**

As principals, we offer these bonds when, as and if issued and accepted by us, subject to prior sale and change in price and subject to approval of Counsel.

It is expected that interim bonds will be ready for delivery on or about March 1, 1955.

A circular describing this issue will be sent upon request.

McLeod, Young, Weir & Company Limited — Wood, Gundy & Company Limited

Bell, Gouinlock & Company, Limited — A. E. Ames & Co. Limited

Mills, Spence & Co. Limited — Dominion Securities Corpn. Limited

Royal Securities Corporation Limited — Midland Securities Corpn. Limited — Cochran, Murray & Co. Limited

Harris & Partners Limited — Burns Bros. & Denton Limited — Dawson, Hannaford Limited

Equitable Securities Canada Limited — Gairdner & Company Limited — R. A. Daly Co. Limited

W. C. Pitfield & Company, Limited — James Richardson & Sons — Bankers Bond Corporation Limited

Collier, Norris & Quinlan Limited — Fry & Company — Matthews & Company

Harrison & Company Limited — Anderson & Company Limited — Bartlett, Cayley & Company Limited

Brawley, Cathers & Company — J. L. Graham & Company, Limited — Charles H. Burgess & Company

Flemming & Company — Walwyn, Fisher & Co.

The information contained in this advertisement is based upon statements on which we have relied. We do not guarantee but believe the statements herein to be true.


## Bruck Mills Look For Busier Year

MONTREAL (Staff)—Sales of Bruck Mills Ltd. for the first 12 weeks of its current fiscal year rose by 26% in yards and 16.6% in dollars over the same period of a year earlier, shareholders learned at the annual meeting.

President G. L. Bruck said first quarter operations were "reasonably satisfactory," but pointed out that profit margins are being limited by severe competition and resultant low prices. "We have hopes," he reported, "that the following periods of the fiscal year will continue the improvement already shown."

He said that in 1954 Canadian mills supplied only 69.5% of total requirements, against 78% the previous year. But Bruck's yardage sales for 1954 were up 10.6%.

"I think it is quite safe to say that we feel encouraged on the basis of the company's present performance."

Bruck showed a net loss of $28,890 for the year ended Oct. 31, 1954, against one of $270,594 in 1952-53.

# We Can't Sit on Our Resources

We're using up our natural resources much too fast, warns a reader of The Financial Post. He writes: "Although reserves of ore are reported large why try and hasten their depletion—why not keep and use them in Canada in the years to come? Suppose even by pushing sales now there is supply enough for hundred years, it is still a wrong policy, for a hundred years is a short time in a nation's life."

Unquestionably there is trouble ahead for any nation that permits reckless and wasteful exploitation of its natural resources. If we simply slash off the forests, rip out the choicest of ores and fish out our waters, we are indeed robbing our descendants. But there is grave danger in the other extreme, of deliberately holding back development, by capping our oil wells, or padlocking our ore fields and reserving these tremendous reserves for unborn generations. Such a policy would mean no new jobs, stagnation, and the migration of Canadians. By the time the new generations came along they would be born in another country.

And who knows what we will be using for natural resources 100 years from now?

Probably the ancients who mined for tin and lead in bits of holes in Europe wondered what would happen when their little shallow veins ran out. Later generations quite likely worried about the exhaustion of coal oil or charcoal or wooden timbers and a lot of other things for which we seem to have ample substitutes today. If our great-grandfather could see the electric power we have available in every hamlet he would not have been quite so concerned about the number of candles his family burned in the long winter evenings.

The truth is that we just can't afford to sit on our natural resources. They are there to be used but to be used intelligently.

## Let's Take the Lead

The picture of Russia as an infallible giant is surely becoming difficult to sustain. The fall of Malenkov seems to suggest that after all these years Russia has still failed to solve the problem of providing guns and butter; that she has no answer to the problem of succession to a dictatorship; and that her place in the world is still not to her liking.

These are serious problems and will not be easily or quickly solved.

It may be time for western countries to abandon their fierce concentration on the game of out-guessing Russia, and turn attention to developing policies of our own which are valid with or without a Russian threat. Up to now, we have presented Russia with the best possible means of solving her three basic problems. Unremitting pressure from outside enables the Kremlin to justify austerity, make a necessity of intrigue, and occupy a place in the world out of proportion to its real importance.

This isn't to say that the West should ignore Russian moves, or allow her to pursue foreign adventures unchecked. It is merely to suggest that we should turn our own attention inward. We have the initiative; we should use it to follow a course of our own.

## Outlook for Construction

The construction industry has always been one of the most important factors in maintaining our national economic health. More than ever people have been saying that "As construction goes, so goes the economy."

There have been suggestions that the Government should foster public building to remedy unemployment. Those who clamor loudest for that seem to forget the enormous amount of building going on now at no cost to the taxpayer.

The outlook for Canada's construction industry is highly reassuring. Last year, housing buoyed up an economy that sagged a bit elsewhere and the signs are for this buoyancy to continue.

Elsewhere in this issue The Post takes a long look at the construction industry in 1955 and finds business is strong and the outlook for continued growth is good.

## What an Example!

"When the stewardess saw that General MacArthur had not fastened his safety belt (he never does), she made the best of it and said nothing."

Thus runs a U. S. magazine's account of the former Korean commander's recent flight to San Francisco. If it is true it is almost unbelievable.

Here is a man who has spent all his life trying to instil discipline into others and he refuses to accept even the slightest himself.

These famous generals, British as well as American, who run around breaking the rules in dress, air regulations, politics and what not, don't seem to realize the bad example they are setting. How do they expect ordinary troops to submit to all sorts of rigid restrictions, that they, the big brass, flout so publicly?

## Should Stand by GATT

With its huge stake in international trade Canada should do everything possible to live up to its commitments under the General Agreement on Tariffs and Trade (GATT) James Muir, chairman of the Royal Bank told the NATO Parliamentary Association in Ottawa last week. More than that, he added we should set an example to our NATO partners and work for the further extension of the "freer trade" area.

Mr. Muir was emphatic and he was explicit. He said:

"We should not increase obstacles to trade through protection, nor should we increase uncertainty in the import trade through complicated tariff regulations. This is the very kind of policy that we berate others for adopting; and no such policy on either side of the Atlantic is consistent with unity and strength in the North Atlantic community."

For the sake of a stronger NATO, which, of course, means a stronger western defense, some net economic sacrifice through freer trade might be well worth while, argues Mr. Muir. But while he concedes the possibility of some sacrifice by individual industry, he is confident that on international balance Canada would gain, because more prosperous NATO partners would mean increasing and more stable markets for Canadian exports.

## Surely We Have Learned

With unemployment at a higher level, the problem of government responsibility has arisen like a ghost from the past. The argument is exactly the same as it was in the thirties. Senior governments say they haven't the power to deal with local unemployment; municipal governments say they haven't the resources to cope with the number of job-seekers who flock to the large cities.

This is the problem that wasn't supposed to arise again. The buck-passing of the past was to be replaced by a clear division of responsibility. The shifts in power and in financial resources from provincial governments to Ottawa were intended largely to see that this particular responsibility should be matched with the resources necessary to discharge it.

Events rarely happen exactly as they are anticipated. We have not had mass unemployment; but we do have an unemployment problem. Unemployment insurance as at present set up is unequal to the situation, because inflation has cut the value of the benefits and because many of those who are unemployed are new additions to the labor force and hence uninsured. Job-creating activities on a national basis are not at the moment clearly indicated; they might create jobs, but they might not be the right kind for the type of unskilled labor now seeking work; and they might have an inflationary tendency that would do more harm than good.

All this does not mean that we should abandon the principle that unemployment must be dealt with as a national problem. Cities— like Toronto or Vancouver—cannot be left to handle an influx of job-seekers obeying the natural instinct to go searching for jobs in the larger centres.

This is not to argue for sky-high benefits or elaborate facilities for the jobless. The point is this: Canadians, both taxpayers and job-seekers, must know where they stand.

Few people are panicking about the present level of unemployment. We're suffering growing pains, and what we face is a small problem compared with our general prosperity, and our hopeful future. To those involved, however, it's not a small problem. Even those not involved are watching events with an uneasy sense of "there, but for the grace of God . . ." In order to maintain prosperity, it's essential that general confidence be preserved. To preserve that confidence, it must be established that pockets of unemployment will be dealt with promptly, firmly, and with no unproductive haggling between governments.

## These Babies Big Buyers

According to its most recent count, the Bureau of Statistics finds that more and more Canadian families have children living at home. The number of families with children increased by 81,000 between June 1953 and June 1954, and it seems likely that the process is continuing, since the first estimate of the 1954 birth rate shows an increase to 28.8 per thousand from 28.2 the year before.

This report explains, in part, the fact that housing construction hit a new record again last year; it explains the sharp increases in almost all the products especially associated with children. Schools, school bags and bicycles; overshoes and hockey pucks—all these and more have shown marked advances since the baby boom began.

Any parent is aware that the advent of a new baby sets off a chain of unfilled wants that stretches almost to infinity. Judging by current statistics, it looks as if Canadian sales managers will continue to have powerful allies in their struggle to sell more goods to Canadian consumers.

## Quest for Quiet

For the citizen of today, conditioned to spending large amounts of money and energy in quest for quietness, there is an intriguing item in a recent issue of the weekly bulletin published by the German Federal Government.

It reports on plans to convert a spa near the town of Buckeburg into "an absolutely noiseless recreation centre for rest-seeking and overworked managers."

Motor traffic will be diverted wide of the centre, radio and other music will be taboo except for one hour of classical per day, and only noiseless (?) sports like golf, table tennis, cricket and archery will be allowed.

Utopia? Maybe for half a day.

## Let's Make Some Here

So-called Canadian souvenirs are made in practically every country but Canada, says a Toronto designer. That may be a bit too sweeping but in general it is all too true.

Try getting something typically and locally Canadian to bring home to the family from almost any city or region in Canada. One will have to hunt diligently indeed. If he doesn't, nine times out of ten he will find stamped somewhere on his purchase "made in So and So," but it won't be Canada. Particularly is this true of the cheaper souvenirs, things in the 50 cents to $5 class.

The Canadian Handicrafts Guild and some other groups have made a start in catering to this important tourist market. In some areas it is possible to buy handmade rugs, pottery, ties, scarves and certain kinds of carved wood work. But the field has hardly been scratched. Each year, it is estimated, Canadian merchants sell around $10 millions worth of souvenirs, the great bulk of which are imported and therefore hardly genuine souvenirs at all.

## More Than Protection

The pace of Canada's economic development was reflected in the annual report of the Sun Life Assurance Co. of Canada last week.

As the biggest company in the field in Canada, Sun last year passed the $6 billion mark as total of life insurance in force. It took company salesmen 54 years to sell the first billion but the climb from $5 billion to $6 billion took only two years.

And in its position in the Canadian insurance field, Sun gets much credit for sales that have made Canadians the most insured people in the world in relation to income.

That fact, it might be said, mirrors a national caution. More than that, however, it represents perhaps national thrift, borne out by another part of the company's report. With more money spent on insurance, there is more available for mortgages—and consequently more for houses and all that goes into them.

So the wheel goes round. The dollar spent for insurance is more than a purchase of protection; it's a national investment.

## *Napier Moore's* Scratch Pad

THE TOPMOST BRASS of a certain radio station listens regularly to its local newscasts Frequently he phones the station manager at his home and comments on the manner in which this or that item was handled.

Recently, the station manager took a night off and went to play canasta with a friend of his who is in the real estate business. So it was that when his home phone rang it was answered by the manager's nine-year-old daughter.

"Who is speaking?" she enquired.

Topmost Brass, who was in whimsical mood, said, "This is the Archangel Gabriel."

Said the young daughter, "Well, if you're the Archangel Gabriel, this is the Devil."

Her mother, overhearing this, sped to the phone and informed Gabriel where her husband could be reached.

Meanwhile, at the real estate man's home, the canasta game had been interrupted three times by telephone calls from a client who was a bit excited about some deal or other So, when the phone rang a fourth time, the host said to the station manager, "That's that fellow again. You answer it. Tell him I'm out."

The station manager picked up the receiver and, without waiting to hear the voice at the other end of the line, said, "This is Mr. So-and-so's butler speaking."

For a moment Topmost Brass thought the manager's whole family had ganged up on him and he was as mad as a hornet. Then it occurred to him that perhaps he shouldn't have been the Archangel Gabriel in the first place. And his splutter subsided into mild laughter.

• • •

BRITONS, OF COURSE, never, never, never will be slaves, but there are times when we get a little perplexed over the way the rights of the people are safeguarded by Authority. For instance, one night last week, on the express from King's Cross to the North of England, weary humans stood in the train's corridors while 50 dogs—poodles, collies, salukis, all warm in satin jackets and quilted wraps, lay snugly on the seats of reserved compartments. The four-legged passengers were going home from a London dog show. Their owners had bought regular passenger tickets for them.

The Daily Express, reporting the incident, quotes a spokesman for the state-owned British Railway as saying, "If the passengers had complained, more coaches would have been put on. If people with dogs reserve a compartment they are entitled to keep out any other passengers."

• • •

THEN THERE'S THE EPIC CASE of a Mr. K. Hughes, a grocer, of Hornchurch. After a stormy night, Mr. Hughes arrived at his shop to find it blockaded by snow. For an hour he shoveled off the forecourt and pavement. Then there arrived an indignant Local Council Highways Department official who informed Hughes that he couldn't dump snow on the road. Hughes asked where he could put it. The official went off without replying. A little later came a policeman who said that a complaint had been lodged by the Highways Department and he must order Hughes to remove the snow from the road. Laboriously Hughes shoveled half the snow back on to the pavement, and quit. Next day the snow was frozen solid. Council workmen came with picks and shovels. And they dumped all the snow exactly where their Authority and the Law had ordered Hughes not to put it.

• • •

ALSO INTERESTING is the ruling of the London Health Executive Council that a patient has not the right to telephone for his doctor. It says that a doctor doesn't have to have a phone, and that if he does have a phone he needn't disclose the number to persons on his National Health Service list.

• • •

WE READ THAT UNIFORMS for cadets at a new U. S. Air Force Academy are being designed by Cecil B. deMille, Hollywood producer of super-colossal pictures.

This reminds us of another Hollywood producer who ordered his costume department to turn out a uniform in sparkling colors, all studded with gold braid. The designer asked what sort of character so conspicuous a uniform was for. Said the producer, "This guy's a high official in a South American country, see. He's head of the Secret Service."

• • •

WE HAVE BEFORE US a book of blotters put out by the Printing Technical School, National Children's Home Harpenden, England. On the reverse side of each blotter is a beautifully printed reproduction of an illuminated text dealing with the months of the year. The designs, intricate in minute detail, are superbly wrought. Coloring is lovely; lettering perfect. They were all done by a trainee of the Home, John Buchanan, who died a year or two ago. We have seen other examples of his exquisite craftsmanship. John Buchanan had no hands. He held pen and brush in hooks

## BRRRRR!

The Financial Post

# Post Scripts

## Traveling Banker

One of the most widely traveled executives in a business that has few stay-at-homes, Robert L. Dales was recently named a vice-president and director of the Bank of Nova Scotia.

MR. DALES

Dales began his long, and largely mobile, banking career in 1909, when he was 15, at the branch of Metropolitan Bank in Stouffville, Ont. An outbreak of smallpox had forced the closing of the high school Dales was attending in nearby Markham. Besides, banking offered an opportunity to earn good money —$125 of it per annum.

Between 1915 and 1919, Dales' traveling was dictated by the Army rather than by the bank. Discharged after two and a half years overseas, he studied medicine briefly at the University of Toronto before returning to the bank.

Both before and after the war, Dales was active in amateur sport circles in sourthern Ontario. He pitched and played first base for his bank's team in the Toronto Financial League, and—for a pitcher—ran up a notable batting average. In the days of seven-man hockey teams, he played the now defunct position of rover.

Away from the rink, Dales became even more of a rover. He has served the Bank of Nova Scotia (successor to the Metropolitan Bank) throughout Canada, and last summer spent some 10 weeks in England on the bank's behalf.

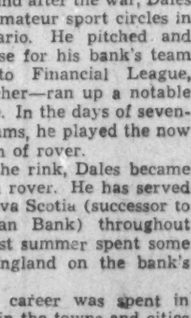
Much of his career was spent in bank branches in the towns and cities of Alberta. As all Easterners—especially Torontonians—have been told at one time or another, everybody's your brother out west. Dales attributes this famed western hospitality to the fact that in an expanding area like the West, just as in a growing town, people soon get to know each other and friendships ripen quickly.

Mrs. Dales is the former Helen Corson of Markham. Dales belongs to several clubs, including the Toronto Golf Club. Handicap: 16.

• • •

## Nash-Hudson President

Richard T. Purdy may miss some of the football home games of the University of Michigan this year. If he does, he can blame it on Canada.



MR. PURDY

Purdy is the recently elected president of Nash Motors of Canada and of Hudson Motors of Canada, subsidiaries of American Motors Corp., product of the merger of Nash and Hudson in the U. S. In his dual role as head of American Motors' Export Division and boss of the Canadian subsidiaries, the 48-year-old, six-foot Purdy will direct the integrated Canadian Nash-Hudson operation. He'll aim particularly at bigger sales and lower prices.

Purdy lives in the Detroit suburb of Birmingham. He was born in Michigan's "thumb" in the small town of Caro, went later to the University of Michigan where he studied business administration, market analysis and factory management. That's where his allegiance to the University of Michigan football club began.

The football fever wore well. He says he didn't miss a home game from 1924 to 1950.

After University, Purdy began his business career with Detroit Trust Co., staying with the company after affiliation with the First of Michigan Corp. In 1942, he went to the Automotive Council for War Production as administrative assistant, and three years later became manager of the Motor Truck Division of the U. S. Auto Manufacturers' Association.

After four years with the Budd Co. (1946-50), Purdy became Nash-Kelvinator's representative in Washington, D.C. Next appointment came in 1953 — executive assistant to the Nash vice-president in charge of financial export and subsidiary activities. He was named Export Division manager last year.

Married with four children, Purdy will be spending a lot of time away from his family, much of it in Canada. Nash thinking is that there is a great market need for low-priced roomy cars. Purdy's job is to build Canadian consumption to the point where production will justify the lower prices.

• • •

## A Hotel Family

Nicholas Kaneb of Cornwall, is the new head of the Hotel Association of the Province of Ontario. This is the largest group of its kind in Canada and perhaps the largest in North America. It boasts 983 members and represents an industry that did an annual business of over $132 millions in 1953, or well over 25% of the total hotel business in Canada. On modernization alone hotelmen of Ontario are spending $13 millions a year.

MR. KANEB

But this business is not all smooth sailing. By their very nature hotels face a large public relations problem and this is the main task of Kaneb and his group.

Well suited for the task, Nicholas Kaneb, a muscular but mild-mannered 38, is highly regarded in his own community. In Cornwall's last civic elections he was elected an alderman with the highest vote of all 12 candidates. He was president of his local Board of Trade for three years and has been active in Lions Club work for six years, serving now as a vice-president of that group. He is also a member of the Cornwall Recreation Commission and through his hotel sponsors a senior men's basketball team.

An athlete, Kaneb is known for his preference of fishing over eating. At Clarkson Technical School, Potsdam, N.Y., which he attended on a sports scholarship, he won his letter for football, hockey and tennis. After graduating from Clarkson he moved on to McGill where he majored in commerce. From there he went right into the family hotel business and is now manager of the small but busy Lafayette.

Visiting Cornwall in 1919, Kaneb's father, Thomas, liked the place so well he bought a dry goods business there which he still runs. In 1920 he moved his family from Worcester, Mass., where Kaneb was born, and four years later bought the King George Hotel. Since then he has enlarged the King George — built on the site of an 1812 fort — from its original 45 rooms to its present 80 and purchased the 25-room Lafayette. Thomas remains president of the hotel company, Nicholas runs the Lafayette, another son, Wilfred, manages the King George and two other boys, George and Edward, have their own businesses. A sister is in Boston attending university but is expected back in Cornwall on graduation.

## Stop Me If . . .

They heard the elevator door close and then the sound of a key entering the lock. "Quick," she said, "it's my husband. Jump out the window."

"But we're on the thirteenth floor!" protested her visitor.

"Blow Buster!" she commanded. "This is no time to be superstitious!"

• • •

The minister told his flock that he had a "call" to go to another church. One of the deacons asked how much more he was offered.

"Three hundred dollars," was the reply.

"Well, I don't blame you for going," remarked the deacon, "but you should be more exact in your language, Parson. That isn't a 'call,' that's a 'raise.'"

• • •

An actress made a practice of trying to do away with herself because of her complicated affairs of the heart. The fifth time this romantic lady had been rushed to hospital, a well-known columnist offered a word of advice.

"You want to go easy on this suicide stuff," he said kindly. "The first thing you know you'll ruin your health."

# *What Others Are Saying*

## Editorial of the Week

### Too Much Party?

Vancouver Sun

Once upon a time MPs had considerable independence. They couldn't be bullied by central headquarters of the party as to elections or by the Government whips as to voting in the House. They could overthrow governments, and often did, no matter what the party label. Therefore governments were more inclined to listen to and profit from debates in Parliament.

Today party discipline is more rigid and party lines more firmly drawn. Stability of government has become more important than principle. The MP who dares to vote against his leaders' policies is likely to find himself out of favor with the party at the next election. And it's difficult for an independent to be elected any more.

The chief advantage of the system, as we said, is stability. This is most important when parliamentary majorities are slim as in Britain today. The chief disadvantage is rigidity of thought with consequent deterioration at the top. It's been evident to some in Canada that both our governments and oppositions have been getting sluggish and unenterprising.

Canada's parliamentarians might better ponder this idea than flog the issue of executive control with worn-out whips.

## Other People's Views

CANADIAN FARMERS are suffering from the effects of the U. S. farm program, points out the **Edmonton Journal**, "yet they persist in asking the Canadian Government to get even deeper into a similar mess. Is this the best the Canadian Federation of Agriculture can do?"

IF THIS KITCHEN progress continues at its present rate, thinks the **Brockville Recorder and Times**, "in another dozen years or so we wouldn't be at all surprised if all a person had to do was to think about what he would like to have for a meal, press button—and there it would be, cooked to perfection, in front of him!"

WINTERS are not so long as they used to be, declares the **Wingham (Ont.) Advance-Times**, "thanks to modern merchandising methods. The tumult and shouting of the Christmas season has hardly died before the big mail order houses are sending out their spring and summer catalogues. And all through the blizzards of January and February we get a steady stream of literature on lawn mowers, fishing tackle, golf equipment, garden seeds and baseball clubs in training. No wonder Grandpa thinks modern winters are shorter."

LEGIBLE WRITING is getting scarcer and scarcer, bewails the **Halifax Chronicle-Herald**. "Imagine it, in these times of jet-propulsion and nuclear fission, the majority of people have no knowledge of the use of the typewriter. They telephone their neighbors, listen to the radio, sit back while the world is brought into their homes by TV, make an effort to have a new car every two or three years—and never seem to give a thought to owning a typewriter and writing, not only their letters, but a variety of other things, legibly and easily."

NOW IS THE TIME to plan for meeting the coming university crisis, urges the **Windsor Star**. "As years go on, and our population keeps growing, there will be an ever-continuing demand for university space. And the standards of living in this, as in other countries, depend greatly upon our standards of education and the proportion of people who achieve those standards. Now is the time to plan. There isn't much time left. It is urgent we put the next few years to the best use so many of our youth, from 1960 on, won't be barred from our universities simply because we made no, or insufficient, provision for them."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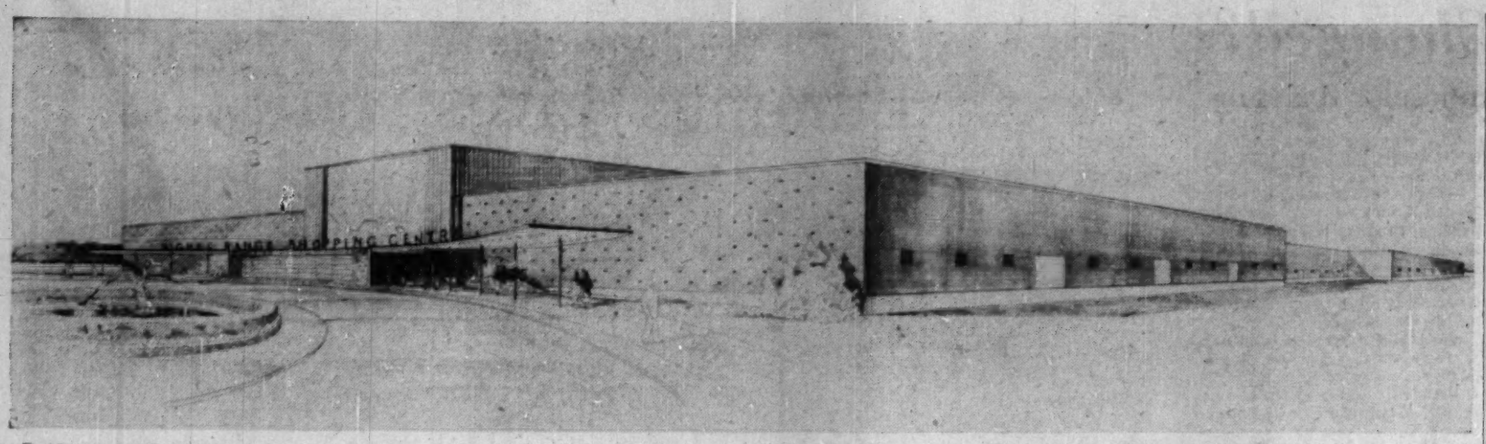


*RAISED PORTION down the middle of the giant shopping centre to be built at Sudbury this year is an indoor street, heated in winter and airconditioned in summer. It will provide a community centre after shopping hours.*

# U.K.'s 10-Year Plans for Atomic Power Plants

## *Two Types of Reactors Are Likely to be Used*

Britain hopes to have 12 nuclear power stations in operation by 1965. Cost is estimated at 300 million pounds or about $840 millions.

Here are extracts from the offical British announcements this week:

Fulfilment of the program would provide 12 nuclear power stations with a total capacity of 1½ to 2 million kilowatts by 1965. The amount of electricity produced would be equal to that from 5 to 6 million tons of coal a year. It is expected that it will be possible to extract as much heat from one ton of nuclear fuel as from 10,000 tons of coal.

The first reactors to be built will burn uranium which will produce not only heat but a valuable by-product—plutonium. Taking the value of the plutonium into account, the cost of electricity from the first nuclear power stations should be about half a penny per unit — which is the probable cost of electricity from new coal-fired stations.

The stations will be built in the usual way by private industry for the electricity authorities, who will own and operate them. The Atomic Energy Authority, as the only body with the necessary experience, will give technical advice. The AEA will remain primarily a research and development organization. It will design, build and operate pioneering types of reactor.

Total expenditure over the ten-year period would exceed the £300,000,000 figure, since this does not include expenditure on stations that would be completed after 1965.

From 1965 onward it might be economically desirable to build nuclear power stations instead of the conventional coal-burning type. If all went well, the total nuclear power station capacity by 1975 could be 10 to 15 million kilowatts. They would then be producing electricity at a rate equivalent to that produced by 40 million tons of coal.

An experimental nuclear power station now being built at Calder Hall in Cumberland represents Britain's first attempt to produce electricity from nuclear energy on a large scale.

During the next ten years, two types of reactor are likely to be brought into use on a commercial scale. The first — an improved version of the Calder Hall (gas-cooled) type — could be designed and built so as to come into operation about 1961.

These first reactors will burn only a small proportion of the natural uranium used but will produce, as well as heat, the valuable element—plutonium.

(Plutonium finds a market in the military atomic weapons program.)

The second type of reactor that might be built would be liquid-cooled. With further development these reactors should produce more heat from each ton of fuel than the gas-cooled type for the same capital cost. Reactors of this second type might begin operating about 1965.

One possible line of development after 1965 is foreshadowed by existing plans to build a full-scale experimental model of a "fast breeder" reactor at Dounreay in Caithness, Scotland.

(A "breeder" reactor is one which produces more fissile material than it consumes.)

Another possibility is an "homogeneous" reactor, i.e. one in which the fissile material is used not in the form of solid metal rods but in some kind of solution or suspension.

**The Cost of Power**

An estimate can be made of the cost of electricity from nuclear power during the next ten years, although it must be subject to a wide margin of uncertainty.

Calder Hall is being built at a cost of £15 millions to £20 millions ($44-$55 millions). Improved reactors of the same type can be expected to produce more heat from each ton of fuel and therefore the capital cost per kilowatt will be lower. A new station might have an output of 100,000 to 150,000 kilowatts or even 200,000 kilowatts.

Developments in reactor design (such as liquid-cooling) should result in the production of even more heat from each ton of fuel and thus reduce still further the capital cost and annual overheads.

"Her Majesty's Government considers that enough uranium will be available for the civil program over the next 10 years, after making the best assessment possible of world supplies and of world requirements for all purposes. The cost of the initial charge of fabricated uranium for one of the early types of station similar to Calder Hall may amount to about £5 millions; a new charge costing the same will be needed every 3-5 years. The cost of processing uranium, both before and after use, is known from the processes now being worked at the Springfields and Windscale factories for the military program. In the early stages of a power program the processing costs will be similar, but big reductions can be expected later when new factories are built."

It is expected that it will be possible to extract as much heat from one ton of fuel as from 10,000 tons of coal.

In assessing the cost of electricity from nuclear power account must be taken of the valuable by-product — plutonium. In the early period of development this would probably amount to many thousands of pounds per kilogram. Although this value might eventually fall it would still have a significantly favorable effect on costs.

Taking all these factors into account the cost of electricity from the first commercial nuclear stations should be about 0.6 of a penny per unit.

This is about the same as the probable future cost of electricity generated by new coal-fired power station. Later stations should show a great improvement in efficiency but the value of plutonium would probably fall considerably during their lifetime. Even so their higher efficiency should enable them to remain competitive with other power stations.

British industry and consulting engineers have as yet no comprehensive experience of nuclear technology. They will be faced with a major task in training staff, in creating the necessary organisation and in designing the stations. This work has already begun. Owing to its complexity and diversity teams drawn from several firms may have to be formed. The preparatory work will call for great efforts from all concerned, and even so it will not be practicable to start building any commercial stations before 1957.

"It is intended that the electricity authorities and private industry should obtain as quickly as possible the practical experience in designing and building nuclear power stations that will be the necessary foundation for a big expansion in the later stages of the program. The Atomic Energy Authority, while giving as much assistance and advice to industry as possible, will remain primarily a research and development organisation and will continue to design, build and operate pioneering types of power reactor. They will also be responsible for buying uranium; fabricating the fuel elements, processing the used fuel and extracting the plutonium from it."

# CIL '54 Sees Export Trade Now Growing

Development of a promising export market over the last few weeks has considerably improved the whole overseas trade outlook of Canadian Industries Ltd. 1954.

Substantial shipments of dynamite and polyethylene have already gone to several overseas countries. There is a good chance for export business developing in other CIL '54 products. Already some three million lb. of dynamite have been shipped to India, 1.5 million lb. to West Africa and some one million lb. to Australia. Polyethylene shipments have also gone to India, with France a likely new customer over the next few weeks.

The whole export outlook for CIL '54 stands to benefit considerably from the highly developed world marketing organization maintained by the parent company, Imperial Chemical Industries, Alex Fleck, board chairman of I.C.I. stated this week in Toronto.

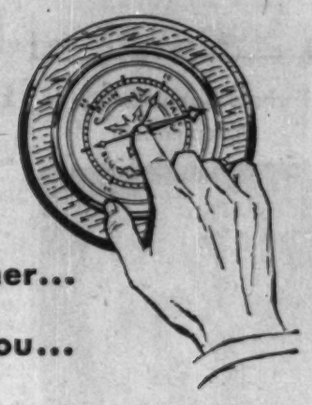
# York Knitting HQ To Be Woodstock

York Knitting Mills, which has been going through difficult times for some years now, is transferring its head office from Toronto to Woodstock, Ont.

Company has three plants at Woodstock. They constitute the major part of the company's manufacturing operation. The move should make possible even more effective co-ordination of production there as well as make possible some savings in overhead costs.

York Knitting suffered net losses in the three years 1951-53. Results for 1954 have not been published yet.


**Securities... the Weather... and You...**



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# Company Reports

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Farm Equipment*

**INTERNATIONAL HARVESTER CO. OF CANADA:** Hamilton, sales in the year ended Oct. 31, 1954 were down 31% at $85,348,000 ($125,214,000 the previous year) and net income dropped to $1,195,000 ($4,210,000).

Dividends paid to its parent company, International Harvester Co., Chicago, were $2,063,000, down by one third from the previous year's $3,044,000. International Harvester's investment in the Canadian firm remained unchanged at $15 millions, although its equity in the net assets of the subsidiary was down slightly at $45,971,000 ($46,816,000).

Sales of the parent company to U. S. dealers and users, to subsidiary companies, and for defense were $994.5 millions ($1,256.1 millions), including $32.3 millions ($70.4 millions) to the Canadian company. Net income dropped 30% to $36,304,000 ($52,090,000).

The large decline in the Canadian subsidiary's business reflects the distressed agricultural conditions in the prairie provinces in 1954, President John L. McCaffrey of the parent company reports. This area normally produces crops of 350-650 million bushels of small grain. Because of adverse weather, the 1954 crop was less than 300 million bu. and below normal in quality, he points out.

The situation was further complicated by the heavy carry-over of grain from earlier years.

As a consequence, large inventories of farm equipment remaining in Western Canada from the 1954 season overhang the prospects for the 1955 season. This general economic situation affected sales not only of farm equipment but also of other products in that market.

"The industrial economy of Canada and the urban markets, on the other hand, are expanding, and agriculture in the eastern provinces is in a more normal condition. The beginning of construction of the Great Lakes-St. Lawrence Deep Waterway, expected in 1955, should be a further factor of stimulation. We consider the long-range prospects of Canada and the Canadian subsidiary very bright," the president states.

**COMMERCIAL LIFE ASSURANCE CO. OF CANADA** business in force amounted to $45,295,118 at Dec. 31, 1954, up 11.3% from $40,687,690 a year earlier. Company issued $7,730,320 ordinary insurance in 1954 ($7,021,580 in 1953), and increased ordinary insurance in the amount of $3,359,253 ($2,546,354).

Premium income rose by 9% to $1,018,616, while policy payments were 15% lower at $438,971. Total assets increased by 4% to $7,191,095 at the end of 1954.

| | 1954 $ | 1953 $ |
|---|---|---|
| Insurance in force | 41,534,259 | 37,212,709 |
| Annuities | 3,760,859 | 3,474,981 |
| Total business in force | 45,295,118 | 40,687,690 |
| Total receipts | 1,304,581 | 1,237,589 |
| Premiums | 1,018,616 | 934,252 |
| Int., divts., rents | 256,347 | 245,958 |
| Deposits | ..... | 55,072 |
| Other | 29,618 | 22,606 |
| Policy payments | 438,971 | 515,971 |
| Expenses & taxes | 382,221 | 351,549 |
| Sh'holders dividends | 8,909 | 8,464 |
| Excess of receipts over expends. | 474,480 | 331,903 |
| Liabs. to pol'holders incl. actuarial res. | 6,289,854 | 6,035,215 |
| Liabs. to sh'holders | 148,480 | 148,480 |
| Other liabs. | 127,305 | 116,113 |
| Other reserves | 400,000 | 400,000 |
| Surplus | 245,456 | 212,079 |
| Total assets | 7,191,095 | 6,911,889 |


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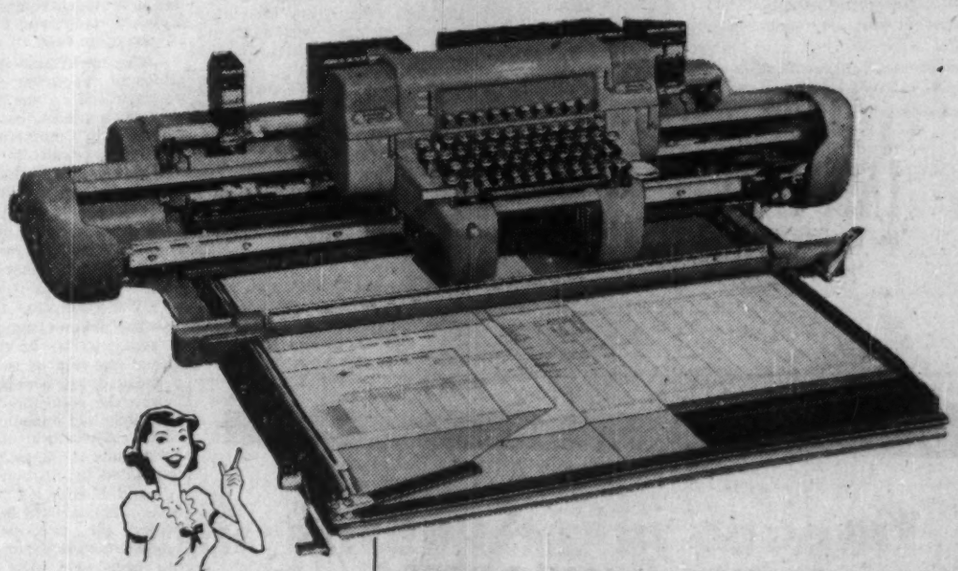

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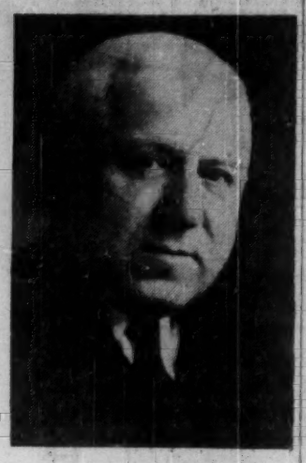
ANNOUNCEMENT

**Toronto-Dominion Bank Appointment**



WILLIAM KERR

The Toronto-Dominion Bank has announced the election of William Kerr to the position of vice-president. Mr. Kerr, who is general manager of the bank, will continue in that capacity.

# *Will Tax Laws Be Changed?*

## Here Are Chamber of Commerce Proposals, Reaction

***What changes should be made in our tax laws?***

***And what changes are likely to be made?***

***Here is a special Post report on the brief presented by the Chamber of Commerce to the Government last week, together with informed Ottawa opinion on some of the proposals:***

OTTAWA (Staff) — The sales tax, like the succession duty, may be in for a thorough overhaul. But in both cases it will be a job "for next year." Neither act will be revised in this year' budget.

The criticism of the Excise Tax Act centres on two features: the determination of the "sale price" on which the tax shall apply, and the uncertainty of the provisions for exempting certain goods. They have been clearly stated by the Tax Foundation (Financial Post, Feb. 12), and are echoed in brief in the submission made last week to the Ministers of Finance and National Revenue by the Executive Committee of the Chamber of Commerce.

In both the main complaints against the Excise Tax Act, businessmen say sales tax has been administered fairly and well. The trouble is that too much has had to depend on administrative rulings, instead of being spelled out in the law.

The submission on the Excise Tax Act by the Chamber of Commerce Executive is the one which seems likely to be best received by the Government. But, in addition, there was a long list of detailed suggestions for improvements in the Income Tax Act.

**Earnings of a Dependent**

Among these—one which stands a good chance of being implemented either by regulation or by amendment of the Act—is one dealing with the income of "wholly dependent" persons.

It refers to Section 26 (1) (a) (iii) of the Income Tax Act, and complains that it is being differently interpreted in different taxation districts. This is the paragraph which allows a $2,000 deduction for anyone who supports a wife or (with no wife to support) "a person wholly dependent upon him and connected with him by blood relationship, marriage or adoption."

In some places, complains the Chamber, tax collectors are insisting that the "wholly dependent" person must have no income. In others, presumably, they are considering as "wholly dependent" someone with an income up to $750 which is allowed by regulation for a dependent child.

Whatever "wholly dependent" is meant to mean, says the Chamber, let it be uniformly applied.

A comparable recommendation, which will be received with much less sympathy by the Government, deals with the income of a wife when it is received from dividends.

The Chamber Executive complains that a wife who has an income of between $250 and $1,000 from dividends misses the advantage of the 20% tax credit on dividends. In effect any dividend income she receives over $250 is added to her husband's income (because his marital exemption is reduced by that amount). Why shouldn't her dividends get the 20% tax credit just as much as his?

**Ottawa's View**

The official answer will probably be something like this:

—The tax credit is intended to reduce double taxation of dividends. The wife is not paying tax on her dividends; therefore there is no double taxation of them.

The marginal deduction is something quite different. It is a concession which can give a married couple as much as $1,250 tax free. Why, say the authorities, should a husband get a sort of double exemption on his wife's income from dividends?

And, to clinch it, they say, supposing the wife has income both from bonds, which do not carry a tax credit, and from dividends which do, how are you to decide which has priority?

Another Chamber Executive demand which is viewed as trying to double up on benefits is the one about timber limits.

The Chamber Executive points out that the purchaser of timber limits can claim the same depletion allowance as mining and oil companies; and then asks why he should be subject to Section 20 (1), which provides for tax on the proceeds of sale when depreciable property is sold for more than the undepreciated capital cost.

In government eyes, you must have it either one way or the other. The Chamber's demand on timber limits appears as an attempt to have it both ways.

Here are some Ottawa reactions to other demands by the Chamber of Commerce executive:

**—Says the Chamber,** in effect, "contributions to an approved pension fund by employees are tax-free; why not the similar contributions of the self-employed or the employee buying his retirement funds through an ordinary insurance company?"

**Answer:** The pension fund rule is really a reversal of the general principle. The general principle is that savings should not be free of tax. Approved pension funds are exempt from this general principle only because it can be argued that the beneficiary has no choice. His contribution to a pension fund in fact never comes into his possession as cash. It isn't fair to tax him on something he has never had. Hence his exemption from tax on pension fund contribution, which he makes up later when the pension fund pays off.

But if every contributor to every form of private pension plan could defer tax till the pension pays off, wouldn't the effect be to have everybody evading tax by running pension plans?

**—In the case of employees'** profit-sharing plans, the ruling principle is actually the reverse of the above. In exact contrast to pension funds, the employee with benefits under a profit-sharing plan is taxed each year on the allocation of profits which is made to him by his employer. But he doesn't see his money any more than the employee sees his pension fund contributions. If he leaves the company before he has received his profit-sharing benefit, he loses all the taxes he has paid on them during his period of employment. This, says the Chamber Executive, is unfair. The beneficiaries under a deferred profit-sharing plan should be allowed to pay tax in the same way as the beneficiary under a pension plan—when they receive the benefits, and on an equally generous system.

**Answer:** On the whole it is held here that this would be unduly generous treatment. The object of the deferred profit-sharing plans is, very often, for an employer to hold his employees. This is their business, not the tax authorities'. Some companies get around the difficulty by making arrangements to pay the due tax on allocation of profit-sharing benefits out of the benefits themselves.

**—For charitable donations,** the Chamber proposes that a company paying more than the permitted 10% in one year should be allowed to "spread" its donation over past and future years.

**Answer:** Corporation donations to charity do not usually come within remote shooting distance of the deductions allowed. Why extend them? Though the case could arise in which a company had accepted a commitment to a certain charity, and had to make its donation even in a loss year.

**—The use by associated corporations** of the lower rate of corporation tax on the first $20,000 of profit is another complaint. The Chamber of Commerce says why can't they wait for the final annual results before deciding how to spread the lower rate of tax most advantageously?

**Answer.** It was a mark of generosity to let the low rate of tax be spread at all among associated companies. Surely it is not necessary to go this stage further.

**—The acknowledgement** which is sent out on receipt of individual tax returns is not, in fact, a checked assessment. It is sent before the collectors and inspectors have had a chance to make a check. Therefore it does not correspond to the assessment contemplated by Section 46 (2) and (4) and Section 54 (6). The tax assessment should not be sent before the tax collectors are ready to admit that all the tax has been paid. Any notice sent before that should be a mere acknowledgement.

**Answer:** Admittedly the present way of sending out assessment notices does not correspond to the intention of the Act. But the authorities do not think they can ever accept the principle of a "quit-date," after which everyone's declaration should be unchallengeable.

**—Tax deductions** for scientific research or for mine and oil development should be allowed whether the research and the exploration is done in Canada or outside.

**Answer:** Part of the object of the donation is to encourage more research in Canada. Canadian universities and research bodies like the N.R.C. would strongly oppose this suggestion.

**—The Chamber** wants the cost of appeals to the Income Tax Appeal Board to be deductible expenses.

**Answer:** This would merely encourage more and more appeals and invite their being made on purely frivolous grounds. If any change were to be made, it would probably be limited to assessment of costs in favor of a successful appellant. And since legal and accounting fees can now be deducted up to the very moment when an appeal is launched, even this change is unlikely.

**MACMILLAN & BLOEDEL LTD.** added an additional 32,445 Class B shares to the list of the Montreal Stock Exchange at the opening of business on Jan. 31, pursuant to conversion of Class A shares during the period Jan. 1, 1954 to Dec. 31, 1954.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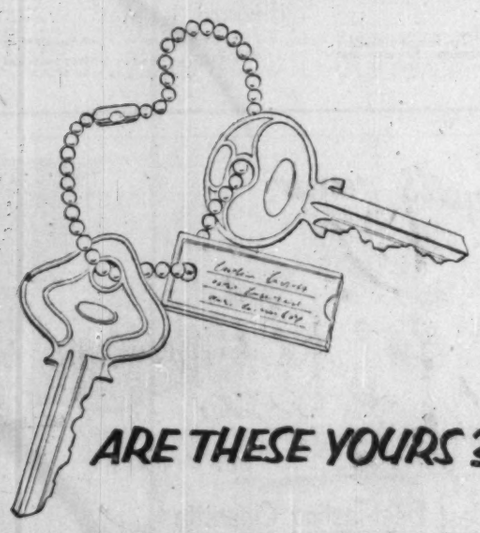

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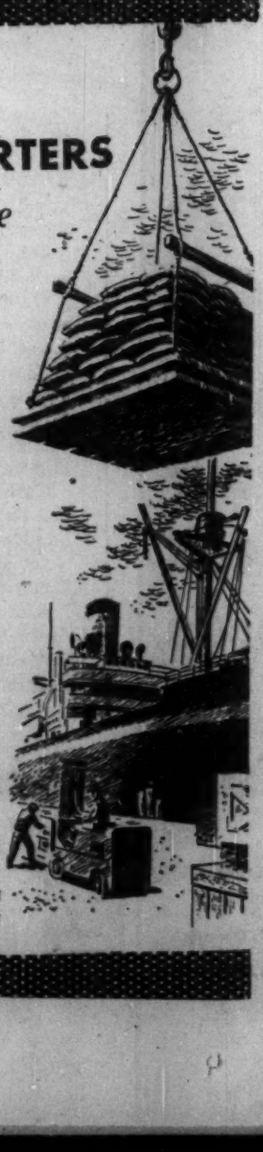

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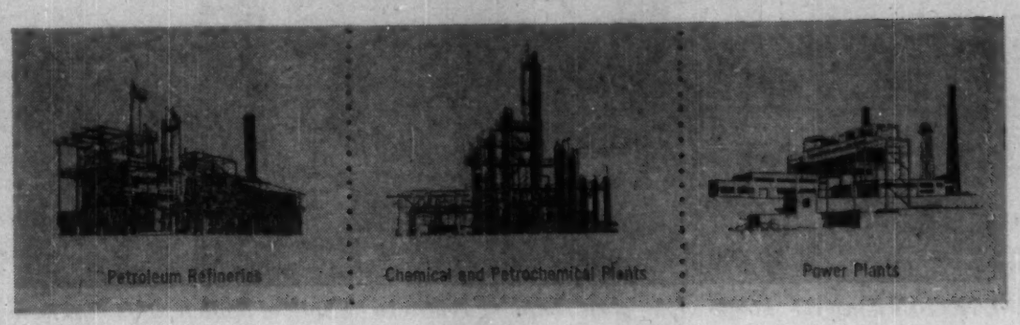


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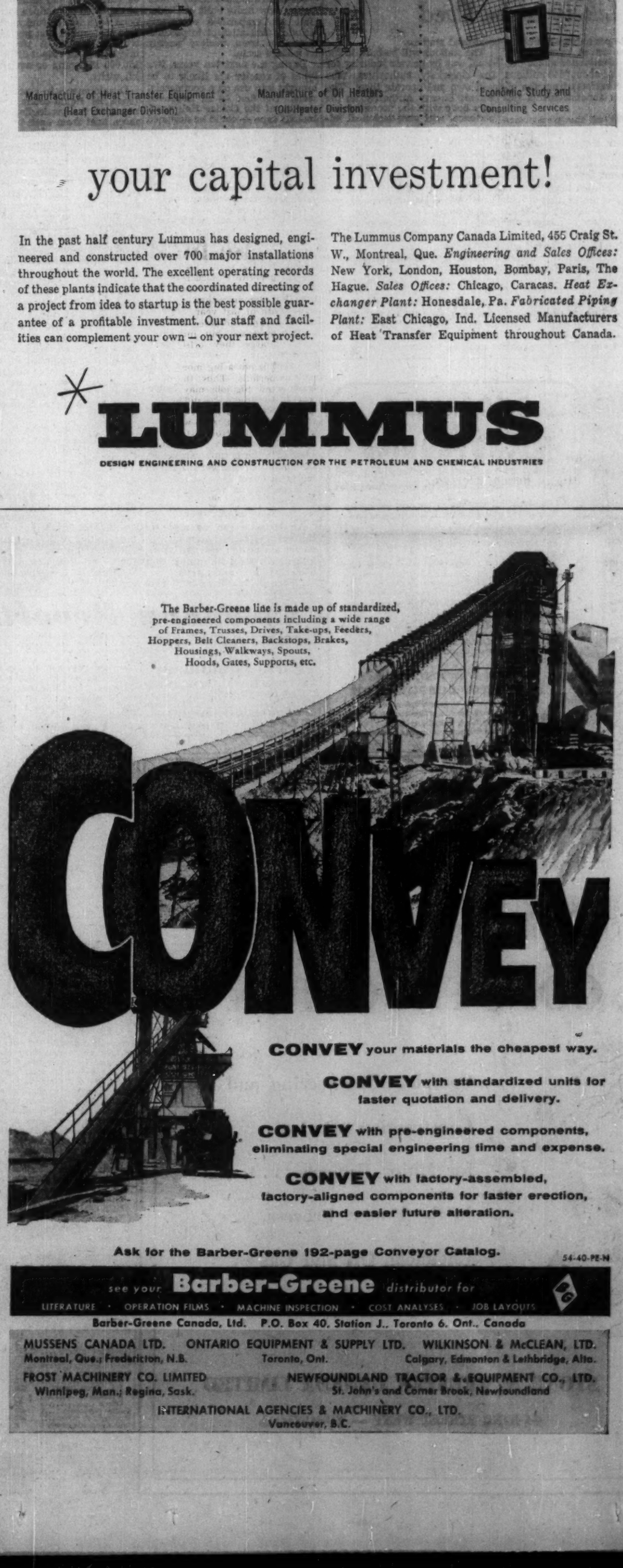

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We recommend that shareholders exercise current rights (expiring February 28) to acquire additional shares at $46 per share. To present and prospective shareholders, we offer facilities for the purchase or sale of rights and shares.

*We have prepared an informative memorandum on The Shawinigan Water and Power Company. Copies available on request.*

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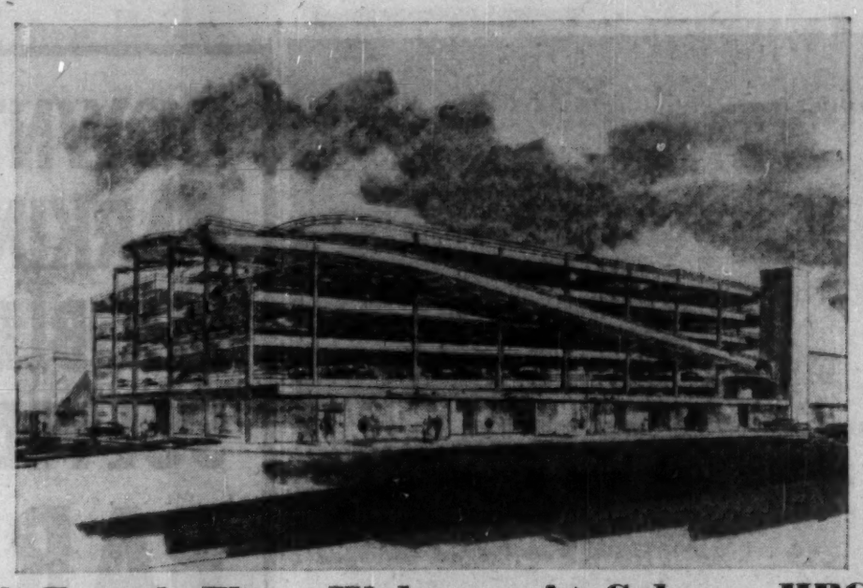

# A Fourth Floor Welcome At Calgary HBC

The Hudson's Bay Co. will increase its store space at Calgary by one third and build its second "Parkade" parking garage on the Prairies in a $5 million expansion.

It plans to spend $3.5 millions to add 100,000 sq. ft. to its Calgary store. It will demolish an adjacent building it has owned since 1928, and is seeking permission to close a lane between the site and its present store. The addition will double the store's frontage on busy 8th Ave.

The parking garage, which the company terms a "multiviele parking lot," is five decks high. It will be connected across 7th Ave. to the store. The customer will drive into the garage, take an elevator in the garage to its fourth floor level, walk through a corridor over the street into the store.

However, the decks are not arranged as in a ramp parking garage. There are no ramps needed for incoming cars: instead, each parking aisle has a slight slope upward. But when the customer leaves, he will drive down a shallow exit ramp on the outside of the building. Customers will park their own cars.

There will be 500 car spaces, and it is estimated the garage will handle 2,500 cars daily. It will be of reinforced concrete construction, and the decks will be open.

The ground floor will include space for a row of specialty shops. Shops in the H.B.C.-owned block to be demolished will get first call on the space.

The only other "Parkade" on the Prairies was built by H.B.C. last year behind its Winnipeg store.

A Detroit parking consultant, G. A. Devlin, vice-president of National Garages Incorporated, has worked with architects on design of the Calgary "Parkade." Architects and engineers are Smith, Hinchman & Grulls Inc. of Detroit. Associate architects are Stevenson & Dewar of Calgary.


## The Canadian Bank of Commerce

*Offer of Additional Shares*

The Bank has mailed to its shareholders of record at the close of business on November 26, 1954, warrants evidencing the right to subscribe for one new share at $27 for each four shares held.

Shares are payable in ten monthly instalments of $2.70 each commencing on March 15, 1955. Instalments may be paid in advance, at the option of the subscriber. "Rights" expire on March 15, 1955.

We recommend that where possible shareholders exercise their Rights and subscribe for the additional shares to which they are entitled.

*We offer our facilities to investors to —*

(a) Exercise their "Rights"
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(c) Sell all or part of their "Rights"

*A folder containing information concerning the Bank and its offer of additional shares will be forwarded upon request.*

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**CONSTRUCTION TRENDS** By HARLEY POTTER

# January Building Permits Increase by 25% Over '54

Building permits in 20 municipalities across Canada were 25% higher in January than in the same month of last year. Ten of the 20 showed increases and 10 showed decreases, but increases were so large they offset the declines.

January is not a big month for building permits. Thus, the timing of a few big jobs may make a sizeable percentage difference in one municipality's total this year as against last. Also weather is an important factor in January permit volume.

Here are the permit values for the municipalities reporting them to The Post.

| | Bldg. Permits ($000) January 1955 | 1954 | % chge. '55/54 |
|---|---|---|---|
| Halifax | 161 | 240 | —33 |
| Three Rivers | 15 | 123 | —88 |
| Montreal | 3,620 | 2,407 | +50 |
| Lachine | 708 | 33 | +2,045 |
| Dorval | 11 | 31 | —67 |
| Hamilton | 1,670 | 1,628 | +3 |
| London | 80 | 316 | —75 |
| Toronto | 1,522 | 4,176 | —64 |
| N. York | 4,140 | 3,674 | +13 |
| Etobicoke | 1,626 | 2,023 | —20 |
| Scarborough | 2,571 | 2,374 | +8 |
| Winnipeg | 1,084 | 1,203 | —10 |
| Regina | 265 | 515 | —48 |
| Saskatoon | 173 | 14 | +1,136 |
| Calgary | 2,035 | 2,065 | —1 |
| Lethbridge | 105 | 154 | —32 |
| Edmonton | 3,567 | 367 | +872 |
| Vancouver | 3,889 | 1,665 | +134 |
| W. V'couver | 272 | 135 | +101 |
| Victoria | 1,876 | 292 | +542 |
| Total | 29,393 | 23,435 | +25 |

### *Roadbuilders Study Prequalification*

The Prairie Road Builders Association has a committee studying prequalification and postqualification of highway contractors. It is gathering information from parts of the United States where these systems are used. The prairie roadbuilders will give the subject a thorough going over at their next convention in January, 1956.

Prequalification of contractors involves having all contractors rated as to financial capacity, equipment and their record on Government work before they are allowed to bid on highway contracts. Then the highways department can automatically award the contract to the lowest bidder. When contractors are not prequalified, it may feel economy-bound to accept a low bid from a contractor who may run into extra costs, either go broke or have to be "bailed out" with contract adjustments.

Postqualification involves rating contractors on a similar point system after the bids are opened. It allows the Government to reject low bids with less embarrassment. (The Post, May 22, 29, June 19, 1954.)

The J. D. Woods & Gordon report recommended prequalification for Ontario. The Government there has so far done nothing to adopt it; it has, however, adopted opening of tenders in the presence of Ontario Road Builders Association representative and the press and publicizing of bid figures, which was recommended.

# Auto Industry Paid $138 Mil. In 1954 Taxes

The Canadian auto industry in 1954 remitted $138 millions in excise and sales tax to the Federal Government, about 52% of the total being excise tax.

Auto and truck production was down 28% to a total of 351,500 vehicles, of which 264,700 were passenger cars for domestic sale; 19,700 cars for export; 57,000 trucks for domestic sale; 10,100 trucks for export; 83 buses for domestic sale.

These are year-end figures compiled by Canadian Automobile Chamber of Commerce. They'll figure importantly when automakers approach the Government this year to ask a lessening of tax load on the industry.

They mean the industry last year remitted to the Government almost $400 per vehicle produced.

Other relevant figures:

—Employment peak in the industry last year was in February (40,586) while the lowest number was employed in October (19,378).

—Total payroll for the year was $125 millions.

—Number of dealers varied around 5,000, changing little, but tending slightly downward.

## Staff Changes

**Chartered banks announce the following staff changes:**

**Commerce:**

L. J. ADAM, assistant inspector, regional office, Winnipeg, to be manager at Graham & Kennedy, Winnipeg.

A. T. CROSIER, assistant accountant, Chatham, Ont., to be accountant, Chatham, Ont.

T. R. EDWARDS, accountant, Victoria, B.C., to be manager, Colwood, B.C.

N. E. ELLIOTT, accountant, personal loan dept., Vancouver, B.C. to be manager, personal loan dept., Vancouver.

F. P. FLEMING, assistant accountant, Seattle, Wash., to be accountant, Victoria, B.C.

F. S. GRAY, to be assistant accountant, Chatham, Ont.

J. F. HARRIS, manager, personal loan dept., Vancouver, B.C., to be manager, Trail, B.C.

T. A. INGLIS, assistant inspector, head office, to be manager, Kirkland Lake, Ont.

F. S. OLIVER, agent, New York, to be an executive assistant, head office, Toronto.

## *Open Plating Plant From Europe Here*

An newly-formed associate company of Metachemical Processes Ltd., London, England, and Laboratories Dalic, Paris, France, has bought a laboratory and plant building at Toronto. Dalic Metachemical Ltd. will develop and distribute specialized electroplating equipment and supplies.

Later, the company plans to install equipment for anti-corrosive treatment of pipe for use in oil and synthetic fuel pipelines, according to Toronto Industrial Commission.

The company claims a new process which facilitates localized plating without elaborate masking. It has extensive application in the aircraft, electronic, machinery and other precision metal using industries.

L. W. Piddington is general manager of the new company.

## U.S. Opens Bids For Seaway Job

Jack & Jim Maser Inc., of Brownstown, Pa., was the apparent low bidder on the second large U. S. Long Sault canal contract for the St. Lawrence Seaway.

Maser bid $990,900 to excavate 2.6 million yds. of material and to build two dike embankments. U.S. Government estimate was $1,377,120.

The U.S. St. Lawrence Seaway Development Corp. will probably award the contract in a few weeks. The successful bidder will get 320 days to do the job after notice to start, which will mean completion sometime in 1956.

The development authority received a total of 14 bids, ranging as high as $2,997,210. Others in the low range:

—Dutcher Construction Corp., Queenstown, Md., $1,115,560.

—S. J. Groves & Sons Co., Syracuse, N.Y., $1,215,065.

—Charles H. Tompkins Co., Washington, D.C., $1,281,025.

—Morrison-Knudsen Co., New York, N.Y., $1,307,717.50.


# lost:

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"Cellophane", made by Du Pont of Canada, has, over the years, been steadily improved. Such steady development has made this fine product available at a cost so low as to be within everyone's reach.

This development of the uses for "Cellophane" cellulose film is still another example of the way ceaseless research and business enterprise result in better living.

And just as "Cellophane" means "*better living*" in homes across the land so, too, do scores of other fine Du Pont of Canada products. No doubt you are familiar with many of them — Nylon, "Orlon" acrylic fibre, Polythene sheeting and tubing, Cellulose Sponges, Petroleum chemicals, Photo Products, X-Ray Film, "Freon" refrigerants and propellents, Neoprene man-made rubber and many Industrial Chemicals. Further information on the application of any of these products will be supplied promptly upon request. Write to: Du Pont Company of Canada Limited, Montreal, Que.

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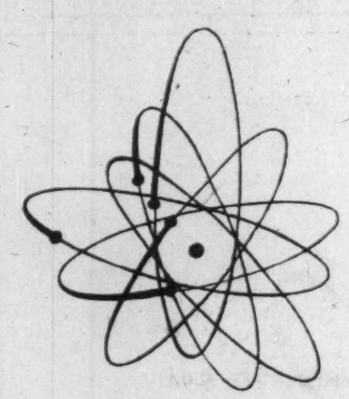

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# To Blaze Exports Trail

## As Part of An Englishman's Dollar-Earning Secret

By WILFRED ALTMAN

LONDON, Eng. — Here's a young Englishman who is blazing a new path for Britain to success in dollar export markets. Kenneth Horner, 29-year-old head of U. K. toffee firm, George W. Horner & Co., already counts his firm's dollar earnings beyond the million, has won personal praise from Britain's Chancellor of the Exchequer.

Now he has launched another dollar-winning idea that other U. K. producers may copy — a mobile display van for a six-month tour of 70 cities and other centres in Canada and the U. S.

The van — and the idea — had an official send-off from Britain with ministers, members of Parliament, and Sir William Rootes as chairman of the Dollar Export Council, present to cheer it on its way. Last week, in Vancouver, another official party saw the van start its 20,000-mile tour with its longest stays scheduled for Vancouver, Toronto, Ottawa and New York.

In five years, Horner has traveled 50,000 miles, crossed the Atlantic 18 times for business. His method — to show Canadian and American supermarket operators sample tins of toffees, ask them "What's wrong?"

Now the van will supplement the job of popularizing Horner's candies in North America. The van is 33-ft. long, disguised as a Shakespearian cottage, has kitchen, showroom, executive office and its own heating, lighting, refrigeration system. It was custom-built to Horner's specifications, has side panels which drop to show an old English "sweet shoppe" where visitors are served by a pretty, young English saleswoman.

### Sales Boost

In Britain, Horner is called "the young man with a dollar-earning secret." He has built up the export side of his business from a total of $1,500 when he inherited it from his father six years ago, to $1 million—plus a million pounds worth of sales to nondollar markets throughout the world.

As assistant managing director, he made plans to reorganize, re-equip and re-tool the entire factory, and to revitalize export activities.

Just when he started the first phase of a new export drive — by appointing agents in the British dependencies to which confectionery exports were restricted at the time — the death of his father placed him in full command.

Horners now produces three times as much sugar confectionery as it did before the war, exports approximately 20% to some 120 overseas markets. The labor force has jumped from 400 employees in 1947 to 1,500. With a double shift, some six million "sweets" are produced every day.

### Three Selling Factors

Where Horner has undoubtedly scored so successfully in his selling is on his emphasis of three vital points: packaging, price, and prompt deliveries.

The formula has been pursued with efficiency and vigor. His yearly tour of export markets includes two routine visits to agents and sub-agents in Vancouver, Toronto, Montreal, New York, Chicago and Los Angeles.

Horner also regards himself responsible for choosing the all-important designs for his tins of toffee.

"Packaging," he says, "is one of the most important features of our sales campaign — and the biggest gamble."

He gets his ideas from visits to art galleries, photographic exhibitions. But he has no formula for picking popular designs. A picture of Windsor Castle, for example, was unpopular, yet the Houses of Parliament were a great success. Occasionally his ideas misfire, like the design incorporating a pin-up girl. But the picture of one of his telephone operators succeeded. The idea occurred to him when he stage-managed a staff revue in which the girl appeared! Within a few months, 200,000 tins bearing her portrait had been sold in American and other overseas markets.

For sales in the Canadian market, Horner has concentrated on the production of gift tins appealing to American tourists, featuring Niagara Falls, mounted policemen, etc.

In 1952, the company acquired the world rights to use Walt Disney characters on their packs, and these too have been successful.

Today the standard range of packs comprises more than 100 designs, and half a dozen new ones are added every year.

To ensure that his sweets are absolutely fresh when they reach overseas consumers, Horner holds no stocks at his factory. Although confectionery is allowed a maximum shelf-life of six months, agents are encouraged to place frequent orders for comparatively small quantities. This ensures that sweets are normally sold long before they reach this age.

Danger of stale stocks is further minimized by careful packaging techniques, which take into account climatic conditions and the amount of handling to which the goods will be subjected in particular countries. Either wooden or fibre board cases are used and are lined, where necessary, with sisalkraft paper. All export tins are sealed with adhesive strip and wrapped in waxed paper — except for those for the North American market.

# C.P.R. New Sister Liners Will Feature Speed, Comfort

MONTREAL (Staff) — Queen Elizabeth will launch the new, streamlined, 22,500-ton Canadian Pacific Steamship's liner "Empress of Britain" on River Clyde, in Scotland, June 22.

Specially designed for the Canadian - United Kingdom service, she is the first of two sister ships intended to add a "new look" to the company's trans-Atlantic service. "Empress of Britain" will be ready for service early in the spring of 1956. The second vessel, not yet named, will go into service early 1957.

Each will have accommodation for 150 first class passengers, 900 tourist passengers. Speed and comfort with extra large open deck space for passengers will be featured.

The vessels are one-funnel, one-masted. Decks, arranged in echelon fashion, will be free of all cargo-handling machinery, ventilators etc. Hatch covers will fit flush.

These are other features planned: cinema shows, libraries, shops, swimming pool for first and tourist class passengers; air conditioning, with individual control, in all passenger space and in crew's quarters; Denny-Brown stabilizers to reduce rolling.

A modern domestic touch is a battery of washing machines, driers, and ironing rooms for passengers' use.

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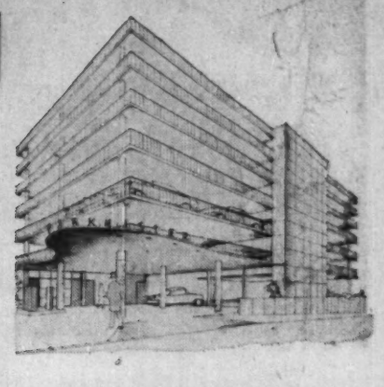

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No customer complaints over scratches or banged-up fenders. Parkmaster system controls movement of cars at all times. Stalls are designed by registered professional engineers and structure conforms strictly to municipal regulations.

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No hold-ups in handling traffic. Parkmaster elevator requires only one operator . . . handles two cars at a time . . . parks or delivers in less than a minute.

***QUIET!***
At no time are car engines used in parking or delivery. Parkmaster does not disturb neighbouring offices . . . all you hear is the soft hum of electric motors and the quiet pad of rubber wheels.

***PARKMASTER is a sound investment***

Write now and tell us about your parking problems. We'll show you how the Parkmaster system can transform your present property into a big money-maker. We'll answer your questions and make recommendations — without any obligation on your part.

Act NOW! With city parking problems on the increase, Parkmaster makes a secure and highly profitable investment.

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In Canada, the insurance business and its thousands of adjusters and agents stand ready to lend their aid whenever disaster strikes.

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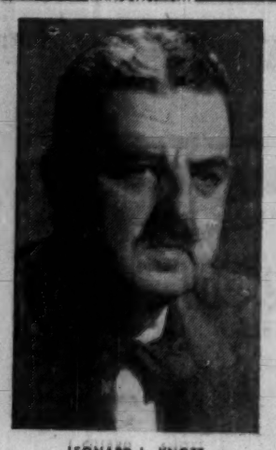
*on behalf of more than 200 competing companies writing Fire, Automobile and Casualty Insurance.*

ANNOUNCEMENT



LEONARD L. KNOTT

LEONARD L. KNOTT, president of Editorial Associates Limited, Montreal, who was re-elected president of Inside Canada Public Relations Limited, a Canada-wide organization of public relations counsel. Other officers and directors are: Margaret Ecker Francis, of Western Editorial Bureau, Vancouver, vice-president; L. J. Cahill, of Ontario Editorial Bureau, Toronto and St. Catharines, secretary-treasurer; Philippe Hurteau, Montreal, Eugene Henry, Ottawa, John Fisher, Toronto, Morgan Jones, St. Catharines, Moray Sinclair, Winnipeg, J. M. Peach, Calgary, national directors.

**RAPID GRIP & BATTEN LTD.** common shares were called for trading on the Toronto Stock Exchange Feb. 7. A block of 30,000 shares was offered in December at $5.75, and shares have been trading recently at $6½. At last report there were 126,500 shares outstanding.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Pension Consultant
Estate Analyst


## New Firm May Put $16 Millions In Real Estate

An international real estate firm has set up offices at Toronto and Montreal to place U. S. private and institutional funds in Canadian properties. It expects to buy about $12-16 millions of various kinds of buildings in Canada in 1955.

The new firm—Tankoos Yarmon Ltd.—opened its Toronto office this week, and took over the Montreal office of Montreal-New York Realties Ltd. which was earlier acting in a similar capacity.

President of Tankoos Yarmon Ltd. is Elliot N. Yarmon who came from New York about two years ago when Montreal-New York Realties was set up. (The Post, May 30, 1953.) Joseph S. Tankoos Jr., of Tankoos & Co., New York, is associated with him in the new firm.

It is interested in outright purchase of well-located store, office and industrial properties and sale-leaseback transactions with major Canadian firms, as well as other realty investments.

It will co-operate with correspondent real estate brokers in cities across the country and divide commissions with them, it is stated. It does not plan to engage in local brokerage between Canadian buyer and seller.

One type of sale-leaseback deal the firm offers is purchase of a tenant-occupied building from a non-occupant owner, with the former owner remaining as tenant and his tenants as subtenants. (The Post, July 10, 1954.)

Tankoos & Co. has already invested considerable funds in Canada. Purchases have included: the Copeland Building, Ottawa; 119-129 Adelaide St. West, Toronto; the Frigidaire plant on Cote de Liesse Rd., Montreal.

Reasons cited for U. S. interest in Canadian real estate are: no capital gains tax in Canada; higher interest rates here; in fact U. S. investors forming nonresident holding corporations in Canada do not have to distribute income the way the same enterprises in the U. S. would have to, and are taxed at an attractively low rate.

(For a discussion of sale-leaseback or purchase-leaseback as it is also called, see p. 48 of this issue.)

## Dom. Bridge Sees Increase In Work Ahead

MONTREAL (Staff) — Volume of new contracts taken during recent months has improved and there appears to be a larger amount of work in the offing this year than last, W. Taylor-Bailey, president and managing director of Dominion Bridge Co. told the annual meeting here last week.

He hoped that prices would improve but promised in any event that "we shall bend every effort to obtain our share of the business."

For the fiscal year ended Oct. 31, 1954, the annual report shows total value of contracts showed an increase over the previous year but, owing to severe competition, work has been undertaken at lower prices. This was especially true of structural operations in the Eastern and Ontario divisions.

This was largely responsible for the drop in net profit by about $300,000 to $4,549,669 during 1954.

He recalled that at the annual meeting a year ago he stated that competition was keener than ever and said this condition prevailed during the entire year. Actually, the company closed out to profit and loss account a greater volume of contracts than in any previous peacetime year in its history. However, new orders booked were only about 75% of this volume.

He said, considering conditions which existed in the industry, the results can be regarded as "fairly satisfactory."

Taylor-Bailey deplored the 6½ week strike from Oct. 15 to Dec. 2 last year at the company's Lachine plant as "most unnecessary," and noted that it occurred in the face of diminishing volume of new business and lower prices.

He said the men returned to work without obtaining their demands — a shorter work week without loss of pay — and said the strike could have been avoided if union officials had given proper weight to the conditions which existed and advised their members accordingly.

He pointed out the company was already paying higher wages than some of its competitors.

The object in subdividing the stock five-for-one last year to make a wider distribution of shares is being achieved. The number of shareholders as at Jan. 12, 1955, the record date for the meeting, was 6,525 as compared with 5,650 at the same time last year — an increase of 875 or 15.5%. Of the shares, 94% are held by Canadian residents.

H. G. Hilton, president of Steel Co. of Canada, replaced Ross H. McMaster, chairman of the board of Steleo, as a director.

## YOUR INSURANCE PROTECTION

FIRE
AUTO
CASUALTY

By VINCENT EGAN

A proposal for Alberta's participation in a medical and surgical insurance plan is expected to be introduced at the session of the Legislature opening in Edmonton this week.

The scheme, it is understood, provides for payment by the Provincial Government of one third of the premiums charged to Albertans who enroll in Medical Services Inc., a voluntary insurance plan.

This would be the first time that any provincial government in Canada has participated in a program for insurance against medical and surgical expenses. The three western provinces and Newfoundland, however, have hospital insurance schemes in which the Government participates.

Under the Alberta scheme, the Government would select one private insurance "carrier"—Medical Services Inc.—and share in the cost of premiums. Policies would be underwritten either on a group or an individual basis, and would provide medical, surgical and obstetrical care.

Insurance men have estimated that the cost would be about $21 a year per subscriber. If all of Alberta's one million-plus population enrolled, cost to the Government would be $7 millions per year on these estimates.

Alberta's Health Minister, Dr. W. W. Cross, is reported to have discussed the Government's plan with leading doctors in the province, but neither he nor the local medical association has made any official statement on the discussions.

Privately, however, some medical men and insurance men have criticized the reported government scheme as discriminatory. It would benefit only those citizens who are able to pay the premiums, they say, and would not assist those who cannot afford this type of coverage even at a one-third discount. Both groups, they add, are equally entitled to benefits bought with their taxes.

The insurers also fear that Medical Services Inc. would fall largely under government control if the Government provided one third of its income. Subsidization of MSI, they charge, would make it uneconomic for Albertans to use the services of other voluntary insurance organizations, thus driving the competition out of the province.

At the beginning of 1954, 161,000 people in Alberta were covered for surgical expenses and 78,000 for medical expenses with the insurance companies, some of which have operated in the province since the early 1930s. MSI had some 59,000 subscribers.

A model for the Alberta approach to medical and surgical insurance is believed to be the program introduced in Australia about two years ago. There, government subsidization is extended to several insurance carriers rather than one, and government assistance is applied to the expenses incurred rather than to insurance premiums.

• • •

***U. S. Insurance Companies Using Lie Detectors***

Lie detectors, now used by some U. S. insurance companies in claims investigations, are not likely to be utilized by Canadian insurers.

A representative of a manufacturer of such machines recently explained their operation at a meeting of the Automobile Claims Association of New York. The speaker told the claimsmen that lie detector tests were taken "voluntarily" and that results are admissible as evidence in New York courts. The machines are used frequently by insurance companies, he said.

Untruthful answers to questions are said to be indicated by variations in markings caused by a change in the subject's blood pressure, pulse, perspiration, breathing, etc.

Leading insurance men here say that Canadian companies do not contemplate using lie detectors. The president of a Toronto insurance firm said that loss of goodwill would outweigh any benefits which might result, and that the reliability of the machines and their operators had not been established.

• • •

***Life Firms Boost Sales Of A & H Protection***

All major Canadian life insurance companies which write accident and health insurance reported substantial increases in net premium income in that branch of their operations last year.

Some life firms have been in the group accident and health field for a quarter-century, but the greatest period of growth has been in the postwar years. Rate of expansion of the life insurance companies in this field, however, is regulated by the legislation under which they operate.

If a Canadian company wishes to sell health insurance, it must establish a separate fund with separate assets. Its privilege of transferring capital to this separate fund from its life fund is limited, and the company's general resources are not available to finance expansion of its health insurance business or to guarantee fulfilment of its health insurance contracts except by transfer of further capital to the separate fund.

In spite of these limitations, the life companies which operate in this field showed marked increases in premium income last year over 1953 levels.

Here, by percentages, are increases in accident and health premium income for eight of Canada's largest life insurers. Increases, of course, are proportionately larger for firms that have entered the field within the past few years than for those that are long established.

| | % Inc. |
|---|---|
| Canada Life | 15.9 |
| Confederation | 6.4 |
| Crown Life | 31.3 |
| Great-West | 24.3 |
| Imperial | 26.2 |
| London | 15.1 |
| Mutual of Canada | 18.1 |
| North American | 91.0 |

## Changes at Eddy: $5 Mil. Program, Gen. Mgr. Resigns

Important changes, in plant and management, have been announced at Eddy Paper Co., Hull, Que.

Its operating subsidiary, E. B. Eddy Co., plans to spend $5 millions in the next two years on modernization and improvements, President R. A. Irwin told a meeting of employees. The board mill and the groundwood mills will be the sections most affected.

Archibald Welch, 44-year-old vice-president and general manager, has announced his resignation. Before coming to Eddy in 1949, he was general manager of Sydney Roofing & Paper Co., Victoria, B.C. He made public no reason for his resignation.

Mr. Irwin, president and managing director, was appointed late in 1954. At that time also W. D. Moffatt was made a vice-president.

## First A Plane Now A Hat

It's going to be pretty difficult to get away from the name Viscount in the next few months. TCA plans an elaborate campaign to publicize their new British airliners coming into service this spring.

But that isn't all. John B. Stetson (Canada) Ltd., has produced a new hat: the Viscount. It is described as an "off-the-face, single crease hat," suggested price $15. It has a narrow brim and will come in a variety of charcoal shades.

Stetson worked out its sales plan with the airline. Advertisements for the hat will appear in newspapers at the same time as the TCA campaign reaches its peak. At selected stores—in areas to be served by Viscount flights—scale models of the aircraft will be on display along with the hats.

Stetson registered the name Viscount when it became known that the TCA inaugural flights would coincide with the height of the spring hat season.


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- New Mills in Tennessee recently completed at cost of U.S. $60,000,000. Output for next 15 years has already been sold.
- The group supplies over 55% of the U. K. market

1953 Earnings: $1.62 per share. Dividend $0.33.
Price: approximately $11.00.

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($5 Par Value)

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Subscription Price $75 a Share

The several underwriters may offer shares of Common Stock at prices not less than the Subscription Price set forth above (less, in the case of sales to dealers, the concession allowed to dealers) and not more than either the last sale or current offering price on the New York Stock Exchange, whichever is greater, plus an amount equal to the applicable New York Stock Exchange Commission.

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February 9, 1955.

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## COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

### Paints

**INTERNATIONAL PAINTS (CANADA) LTD.** consolidated net profit for the year ended Sept. 30, 1954, was $87,610, 32% less than consolidated net of the previous fiscal year of $128,758.

Falling off in industrial sales was the reason for the lower profit for the year, says Chairman Frank M. Ross, although domestic and trade sales were well maintained.

Net capital expenditures amounted to $149,598, and funded debt now stands at $120,000. Extensive alterations to the Montreal plant will result in more efficient operations. The Halifax warehouse was completed during the year.

C. H. Neroutsos has been appointed vice-president and managing director of the company.

CONS. INCOME ACCOUNT

| Years Ended Sept. 30: | 1954 | 1953 |
|---|---|---|
| Net earnings | $297,376 | $412,704 |
| Less: Deprec. | 77,996 | 71,392 |
| Deb. int. | 5,425 | 6,475 |
| Inc. tax res. | 94,112 | 171,865 |
| Trans. to gen. res. | 27,233 | 29,214 |
| Dev. exp. prov. | 5,000 | 5,000 |
| Net profit | 87,610 | 128,758 |
| Less: Pref. divd. | 59,990 | 59,990 |
| Surplus for year | 27,629 | 68,768 |
| Earnings per Share and Dividend Record: | | |
| Preferred† | $1.75 | $2.58 |
| Preferred‡ | 1.55 | 2.08 |
| Paid* | 1.20 | 1.20 |
| Common‡ | 0.35 | 0.88 |

None paid.
*Includes 60c in 1954 and 1953, in respect of prior year.
†Before (‡after) taking participation into consideration.

CONDENSED CONS. BALANCE SHEET

| As at Sept. 30: | 1954 | 1953 |
|---|---|---|
| Cash | $63,081 | $240,678 |
| Life ins., c.s.v. | 15,181 | 14,269 |
| Accts. rec. less res. | 731,538 | 744,083 |
| Inventories | 1,018,137 | 991,144 |
| Total curr. assets | 1,827,987 | 1,990,171 |
| Misc. assets | 49,530 | 46,538 |
| Fixed assets* | 975,950 | 904,348 |
| Total assets | 2,853,467 | 2,941,057 |
| Accts., pay., etc. | 290,444 | 321,762 |
| Taxes pay. | 62,977 | 140,852 |
| Debent. due | 30,000 | 30,000 |
| Total curr. liab. | 383,421 | 492,614 |
| Reserves | 511,678 | 484,444 |
| Funded debt | 120,000 | 150,000 |
| Capital stock | 1,000,000 | 1,000,000 |
| Capital surplus | 32,000 | 32,000 |
| Earned surplus | 806,368 | 781,999 |
| *After depr. of | 952,490 | 883,423 |
| Working capital | 1,444,566 | 1,497,557 |

### Finance

**TORONTO MORTGAGE CORP.** net profit for 1954 was $90,055, 6.5% less than net for 1953 of $96,280.

| | 1954 | 1953 |
|---|---|---|
| Liabs. to pub.* | $1,745,314 | $1,451,614 |
| Sh'holders' equity | 2,438,080 | 2,501,962 |
| *Secured by: | | |
| Mtges. | 3,448,300 | 3,523,883 |
| Office premises | 45,000 | 45,000 |
| Liquid assets† | 690,094 | 384,693 |
| Total | 4,183,394 | 3,953,576 |
| †Includes bonds and stocks. | | |
| Net profit | 90,055 | 96,280 |
| Earnings per share | $4.56 | $4.88 |
| Paid | 5.00+0.25 | 5.00+0.50 |

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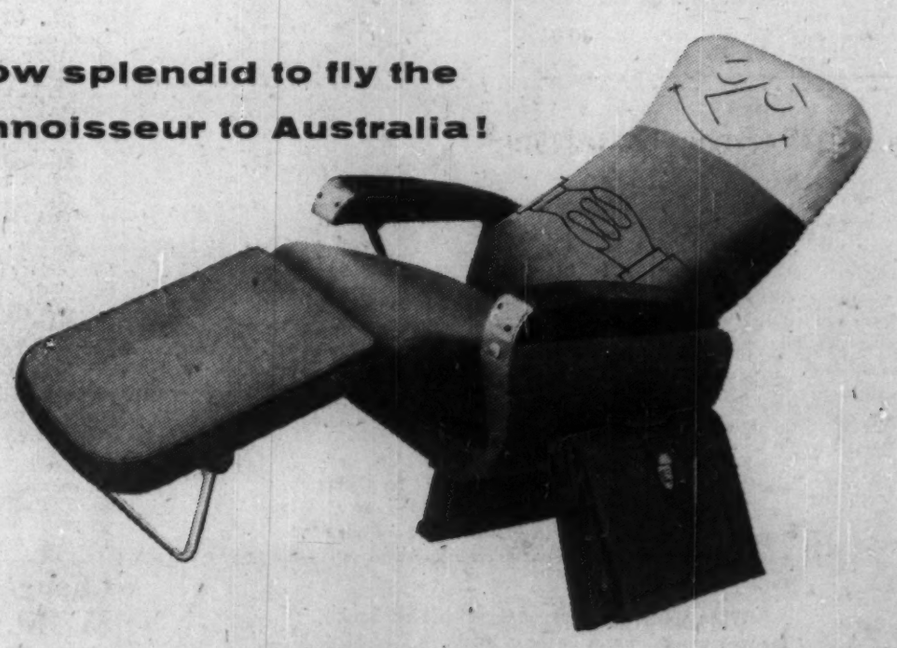

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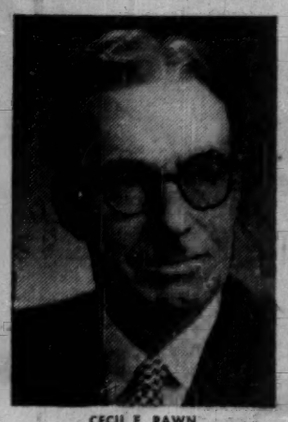
ANNOUNCEMENT

## THOR OPENS NEW DIVISION



CECIL E. RAWN

Mr. F. M. McGovern, President of Thor-Canadian Company Limited has announced the opening of a new division in the company which will engage in the manufacture and sale of Steel Kitchen Cabinets. Mr. McGovern has also named Mr. Cecil E. Rawn as Sales Manager of the new department. Mr. Rawn has been active in this phase of industry for many years and is well-known to builders and builders' supply houses throughout Canada.

Under Mr. Rawn's supervision, Thor will manufacture a complete line of steel wall and base cabinets and kitchen sinks to supplement the electric sinks already made by Thor and used exclusively by several of the largest home builders in Canada. Production of Thor Steel Kitchen Cabinets is scheduled to commence March 15.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## By Growth of Life Insurance Sales

| Company | Assets Dec. 31/54 ($000) | % Increase in: New Business | Bus. in Force | Assets | Mortgage Portfolio | Policy Payments | Net interest earned 1954 % | 1953 % |
|---|---|---|---|---|---|---|---|---|
| Sun | 1,876,213 | 20.8 | 6.3 | 2.5 | 23.0 | 6.8 | 3.81 | ... |
| Manufacturers | 590,694 | 2.3 | 9.1 | 9.3 | 10.0 | 4.9 | 4.39 | ... |
| Great-West | 513,976 | 25.5 | 13.3 | 7.6 | 24.8 | 13.6 | 3.93 | 3.76 |
| Canada | 478,292 | 3.9 | 10.5 | 6.9 | 20.6 | 8.9 | 4.16 | 4.01 |
| London | 476,758 | 5.4 | 8.7 | 6.5 | 22.1 | 14.0 | 4.05 | 3.98 |
| Mutual | 459,547 | 8.9 | 7.6 | 6.3 | 26.2 | 14.6 | 4.25 | 4.05 |
| Confederation | 318,392 | 9.4 | 7.6 | 7.1 | 10.9 | 8.7 | 4.10 | ... |
| Imperial | 208,388 | 18.8 | 7.7 | 4.9 | 21.2 | 17.3 | 4.18 | 4.02 |
| North American | 199,388 | 6.8 | 13.4 | 7.5 | 15.8 | 16.4 | 4.09 | 3.95 |
| Crown | 199,145 | 12.7 | 13.2 | 9.6 | 15.7 | 11.4 | 4.12 | ... |

# Canada Sets World Record

Canadians hold more life insurance, in relation to their income, than any other people in the world.

Insurance in force in Canada totaled $22,214 millions at the end of 1953, date of the latest government compilation. That's 116.7% of Canada's net national income of $19,043 millions in 1953. In other words, Canadians' holdings of insurance on their lives were one sixth greater than their annual income for all sources (including the income of unincorporated business).

In the U.S., the ratio was 100%, according to results of a survey just announced by the Institute of Life Insurance, New York. In no other part of the world was insurance ownership comparable to the North American level. In most countries, insurance in force was less than 50% of annual national income.

These ratios were based on conditions existing at the start of 1954. Today, the ratio for Canada would undoubtedly be higher, since 1954 was a banner year for major sphere of activity, 1954's

New sales of ordinary life insurance to Canadians rose by 8.6% over 1953, more than offsetting dips of 5.7% and 16.7% in sales of industrial and group life plans. Total sales of new life insurance were $2,690.1 millions, up 2.8% from $2,617.3 millions in 1953.

The accompanying table shows how business improved over 1953 for the Big Ten of Canadian life insurance companies. In every major sphere of activity, 1950's results surpassed 1953's.

New business written during the year was up to 25% higher than in 1953. A big factor here was the group life insurance plan introduced last year for U.S. federal civil servants; all companies operating in the U.S. shared in this new business.

Increases in business in force among the Big Ten ranged from 6% to more than 13% in the 12-month period. The Institute of Life Insurance survey showed that life insurance ownership in Canada increased by 80% in the six-year period beginning in 1948, compared with 64% in the U.S. Other six-year increases went from a low of 38% to a high of 547% in Japan.

Mortgages were a favorite investment outlet among Canada's Big Ten life insurance firms last year. With new business on the increase and assets also rising—from 2.5% to nearly 10%—the insurers had considerably larger sums of money to put to work.

At the same time, interest rates generally were lower. The stock market rose steadily throughout 1954, and bond prices were also climbing during most of the year. This meant that yields, on the other end of the investment seesaw, were dropping.

Interest rates on mortgage money remained high, however, and this spurred the insurance companies to put much of their new funds into mortgage loans. As a result, the mortgage portfolios of Canada's 10 largest life insurance companies at the end of 1954 were from 10% to 26% greater than a year earlier.

Thanks to the larger return on mortgages, the rate of interest earned by the Big Ten on their investments was also higher than in 1953. The companies now report their investment interest on a net basis—that is, after all investment expenses such as brokerage—rather than on the gross basis used up until last year. In some cases, comparison of the 1954 interest earned with the 1953 rate is not possible since the companies have not published the 1953 figure on a net basis.

Policyholders and beneficiaries also received more in 1954. Payments to them increased by from 4.9% to 17.3% among the Big Ten.

## It's Still Double Taxation For 300,000 Quebeckers

MONTREAL (Staff) — Premier Duplessis has made two important changes in Quebec's personal income tax act, bringing the structure closer to the federal model, giving some tax relief to Quebeckers.

But he has decided to stand pat on basic exemptions. This means many in the province will still be double-taxed. It also means many in the lower income groups will pay 10% less federal tax than do those earning the same amount in other provinces.

The changes concern dividends. Both are retroactive to Jan. 1, 1954, the day the provincial levy took effect.

Under federal law, a taxpayer can deduct from his tax liability 20% of Canadian dividends he received. But the Quebec act permits no such deduction.

Now, however, a taxpayer will be able to deduct from his provincial tax 15% of the 20% dividend credit he can claim on his federal form. In other words, he'll be allowed to subtract 3% of his dividend income from his Quebec tax liability.

The other change deals with distributions of previously undistributed income. Ottawa allows companies to capitalize undistributed income, pay a 15% tax, and distribute a stock dividend which is tax-free in the hands of the shareholders. But this type of distribution has been taxable in Quebec, being lumped in with other income.

Now, such distributions are to be considered separately. They won't be counted when a taxpayer is figuring out his provincial income tax liability, and in this respect the Quebec act will become the same as federal law. But Quebec is not letting him off the hook entirely: he will now pay a separate tax of 2¼% on these distributions.

The two changes are expected to cost Quebec about $1.5 millions in tax revenue, according to government spokesmen.

News that Quebec has decided to leave basic exemption levels unchanged means that 300,000 Quebeckers will continue paying the Quebec income tax, while a total of 750,000 will share in Ottawa's recently announced 10% income tax cut for federal taxpayers in the province.

The Ottawa tax cut amounts to about $29 millions, while Quebec's income tax is expected to yield $27 millions in fiscal 1955-56. But because Quebec basic exemptions are higher ($1,500 for a single man and $3,000 for a married person, vs. $1,000 and $2,000 respectively, on the federal scale), more than half of those paying federal tax in the province—and thus getting the 10% cut—don't pay the provincial tax.

If Premier Duplessis had decided to lower his exemptions to federal levels—as many hoped—he could have reaped as big a tax harvest and eliminated double taxation.

As it is, many of the 300,000 will continue paying out more to Quebec than they get back from Ottawa in the form of a tax reduction.

### Cyanamid Chemists Fly To South Africa

Three staff members of North American Cyanamid Ltd.'s Niagara Falls, Ont., plant have left for South Africa where a Cyanamid subsidiary will soon begin production of calcium cyanamide, which in turn will be used in production of cyanide, used in gold mining operations.

Heading the party is Walter G. McBurney, technical director of N.A.C.L. and former manager of the Niagara plant. Accompanying him are Gordon Frost and Arthur Smith, two technical employees of the Niagara plant. A fourth employee, Leo O'Banion, is already in South Africa.

Like the Canadian operation, the South African plant will be operated as a subsidiary of the U.S. parent organization, American Cyanamid Co.


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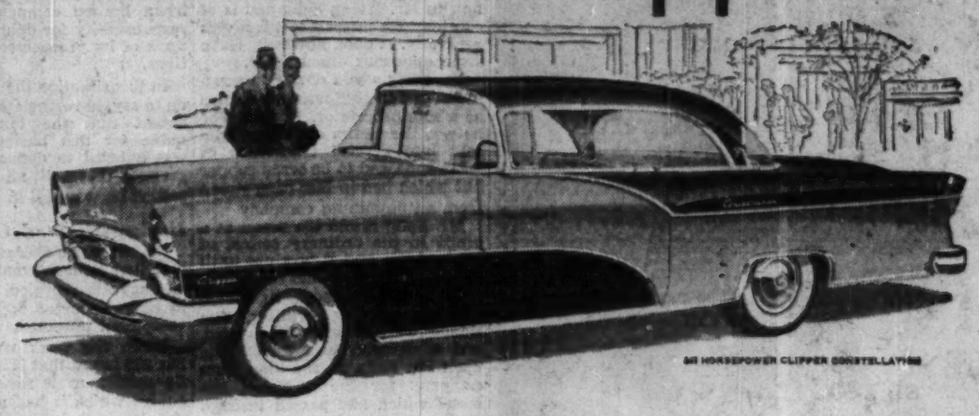
**The 1955 Clipper**



*...the car that makes it smart to be different!*

If you hesitate to buy a medium-price car because six months hence it will be "everybody's car" . . . *the 1955 Clipper is for you!* For in the Clipper you will find the *distinctive individuality* you seek . . . and to which you are entitled.

On the road, the 1955 Clipper proves its distinction in performance. Brilliant new V-8 engines, with 225 or 245 horsepower, deliver split-second response in traffic and surging power on the highways . . . unmatched in the medium-price field. Teamed with these engines is the new Twin Ultramatic Transmission — actually *two* in one. At the touch of a finger, your choice of starts . . . lightning getaway or cruising glide.

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*We invite you to see and drive the 1955 Clipper today*


### B. F. Goodrich Rubber Streamlines Name

B. F. Goodrich Canada Ltd. will be the new name of The B. F. Goodrich Rubber Co. of Canada.

"The change in name is designed to keep pace with our accelerated activities in fields other than rubber, such as chemicals, vinyl plastics and rigid plastic materials," President Ira G. Needles states. "At the same time, we recognized a need to streamline the company name and provide a shorter title," Mr. Needles said.

B. F. Goodrich Canada Ltd. is a wholly owned subsidiary of The B. F. Goodrich Co. of U. S.


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**Where does the money come from?**

Maybe it's none of our business.

A man comes into our office and wants to talk to somebody about investing.

He says he's been reading our advertisements for some time . . . thinks that we're right about the long-range growth of American business . . . and wants to get a fair return on the money he has saved.

As a matter of fact, he's been studying the financial pages of the paper and has pretty well decided on the stock he wants to buy.

Well, that's our business—executing orders to buy stocks—so we're willing to, of course.

But as a general rule, we'll try to find out a little more about our new customer first, a little more about where the money comes from.

Not how he got it—but whether he can afford to invest it.

*For instance:* About how much is he able to save each month?

*For instance:* How much of a cushion will this purchase leave him?

*For instance:* Is the stock he wants to buy really suited to his particular situation?

Now, maybe you think those questions are none of our business—but we think they are!

Because there's always some risk in any investment—even the highest-grade bonds—and we simply feel that it's our responsibility to point that risk out for the benefit of those who may not be able to afford it.

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**Would YOU lend families like this $190,000,000?**

Their weekly take-home pay is about $50. Like millions of others, they have neither the assets nor the reserves to tide them over a serious money emergency.

Yet, last year Household Finance Corporation of Canada lent over $190,000,000 to families like this.

We provide small sums of money for emergencies and opportunities and require no bankable security. Often Household Finance and other consumer loan companies are the *only* source of money help available to the average family. However, we do *not* advise borrowing unnecessarily. We do not advise borrowing more than is necessary.

The vital function of industrial and commercial credit has long been recognized. Without such credit, our nation's remarkable economic progress could never have been achieved.

The need for consumer credit under certain conditions is just as apparent. Today *more families borrow from consumer finance companies than from all other forms of consumer credit companies combined.*

Though Household Finance is by far the largest company in the small loans field, its growth is typical. In 1939, HFC operated 15 branch offices, serving 57,000 customers. During 1954, more than 607,000 customers borrowed from our 169 offices located throughout the ten provinces. Today we serve more people than any other company in our field.

Household Finance and the consumer finance industry, tested by time and experience, are proud to be a part of our credit system which offers the best solution to the money problems of the Canadian family, when emergency or opportunity makes borrowing necessary or desirable.

HFC

HOUSEHOLD FINANCE

*Corporation of Canada*

Canada's largest and most recommended consumer finance company

ANNOUNCEMENT

## ROYAL BANK APPOINTMENTS

A. F. Mayne to occupy new post of Associate General Manager
R. W. Shannon appointed an Assistant General Manager

MR. A. F. MAYNE

MR. R. W. SHANNON

The development and growth of the Royal Bank's business in recent years have placed upon the management such heavy responsibilities that it has become necessary to provide for a more even distribution of the burden. The Directors have decided that the situation could best be met by creating the new post of Associate General Manager carrying with it responsibility for the management of the Bank's non-domestic business.

Mr. A. F. Mayne, who has been an Assistant General Manager, has now been promoted to be Associate General Manager.

Mr. R. W. Shannon, who has been a General Inspector, has been appointed an Assistant General Manager and his duties also will be concerned with the Bank's business abroad.

The selection of Mr. Mayne and Mr. Shannon for these duties is a natural one in view of their knowledge of the non-domestic business of the Bank to which their activities have been directed for a number of years.


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MUTUAL ACCUMULATING FUND

5th ANNUAL REPORT

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(2) Portfolio of Investments, Statement of Income and Expenses, Balance Sheet and graphic record of investment performance in each of the past 5 years.

(3) SPECIAL SUPPLEMENT, entitled "Investment Management", outlines the procedures followed in the investing of M.A.F.'s assets. This 5-page explanation is accompanied by charts showing the relative market performances of fourteen industry groups and several leading investment stocks. Another feature of particular interest today is a composite stock market barometer which compares present and past positions of the fundamental factors underlying the stock market.

TO OBTAIN COPIES OF THIS REPORT AND THE M.A.F. PROSPECTUS, simply complete the form below and mail it to the Fund's Manager:—

Mutual Funds Management Corporation Ltd.,
789 West Pender St., Vancouver 1, B.C.

OR TO: any of the several investment dealers listed below:

Please send me ____ copies of MAF 5th Annual Report and Prospectus.
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**ABOUT YOUR TAXES** By STUART THOM, LL.B.

# Allow Proprietor's Loss After He Incorporates

The judgment of the Tax Appeal Board allowing his appeal must have been a great satisfaction to Mr. Irving Selig and is of considerable interest to taxpayers generally. It does, however, leave some questions unanswered.

Mr. Selig was a dealer in scrap metal and in 1946 was in business as a sole proprietor. In that year he was the victim of thieves who sold him several truckloads of what appeared to be scrap copper but which had in fact been stolen from an aluminum company

Mr. Selig resold the metal at a profit in the ordinary course of his business and it was not until the following year that the aluminum company traced its stolen property to his premises. The thieves were found and convicted, and a demand was then made upon Mr. Selig by the aluminum company for the value of the metal which had passed through his hands.

The taxpayer disputed liability and it was not until 1952 that the judgment was given against him, in the course of which he was found to have been entirely without fault or blame. He paid the judgment and the costs and claimed to deduct this loss from his investment income in that year.

**Incorporation Problem**

The tax problem arose because the appellant had incorporated his business back in 1947 before he had any knowledge of his legal responsibility for the stolen goods which unknowingly he had taken in while operating as a sole proprietor.

The Minister took the position that the loss as established in 1952 could not be deducted from investment income in that year because it was not an expense incurred for the purpose of gaining or producing the income from those investments. It could not be deducted as an expense incurred by the limited company in that year or at any other time, nor could the taxpayer deduct it from his salary from the company

The Board held that if the loss had been brought to light and settled in 1946 the appellant could properly have claimed it as an expense of carrying on his business in that year. It is not clear from the judgment whether the Minister actively disputed this part of the Board's findings but it is certainly one which will commend itself to taxpayers who may find themselves in a similar position.

It would appear to follow that had the taxpayer still been carrying on business as a proprietor dealing in scrap metal in 1952 he would have been entitled to deduct his loss in that year. As it happened, however, the business in that year was being carried on by a limited company with no responsibility for debts or obligations of its predecessor in operations.

In this situation the Board went on to say, nevertheless, that to the extent that the taxpayer was liable for this business loss he was entitled to deduct it on the grounds that until all losses were settled he was still in business.

***Underestimated Costs***

No. 232 was a dredging corporation that underestimated costs in an excavation project for a canal to be constructed for power development purposes.

When the work was finished, No. 232 found that it had suffered financially as a result of difficulties which it had not foreseen and it applied for relief to the "X" Company which had engaged it to do the work. No. 232 admitted that it had no legal right to any increased compensation and based its claim on what the Tax Appeal Board described as "purely equitable grounds."

In due course, X Company came to the conclusion that No. 232's claim deserved recognition and in 1950 paid the latter $750,000 in settlement of its claim. During the years that intervened between the commencement of the work and the settlement of the claim, the capital stock of X Company had been expropriated by the Province of Quebec. It had become an agent of the Crown in the right of the province and its property came to belong to the province.

The Minister of National Revenue claimed to tax the settlement payment as being income. The appellant contended variously that it was a voluntary payment not made on account of any contractual liability, that it was a windfall and not a trading receipt and that it was capital in nature. The Board held that the circumstances in which the payment was made established it to be income and that X Company was simply paying for value that had been received. No. 232 was accordingly held taxable.

## COMPANY REPORTS

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

### Insurance

**SUN LIFE ASSURANCE CO.** sold $696,906,785 in new insurance in 1954, up 20.8% from 1953's $576,946,531 in new business. New group business was $239.6 millions ($170.8 millions in 1953).

New annuity contracts issued guarantee payments of $4.9 millions a year, up 22% from $4 millions in 1953.

Business in force stood at a record $6,038.4 millions at the end of 1954, an increase of 6.3% from previous year-end total of $5,678.1 millions. That this increase was less than that reported for 1953 was due solely to a 10% reduction in rates of sterling exchange used in the accounts, reports President George W. Bourke.

Annuities payable currently and in future amounted to $138,383,754 per annum at the end of 1954, up 9.5% on the year.

Assets rose by 2.5% to $1,876.2 millions at Dec. 31 ($1,829.8 millions a year earlier). Increase would have been greater if it had not been for adjustment in book rates of exchange and for change in form of annual statement, notes Mr. Bourke.

"Allowing for these special factors," he says, "the rate of progress of the company in growth of assets was as high as in any recent year."

Company's mortgage loans increased by more than any other type of investment. Mortgage portfolio was $323,344,000 at the end of 1954, up 23% from $262,959,917 at Dec. 31, 1953. Investments in provincial, municipal and industrial bonds were increased.

Gross interest rate earned was 4.07% (3.90%), and net rate 3.81%.

Total income in 1954 was $291,486,644, an increase of $15,354,401 over 1953. Life insurance premiums accounted for $154,262,334 of the total, annuity premiums for $34,109,886, and investments for $72,968,458. Benefit payments totaled $134,351,335 in 1954.

On the sale and redemption of securities, Sun Life realized a net profit of $1,583,560 during the year.

Dividends to policyholders are to be increased April 1. This will increase 1955 payments by $2 millions to a total of $26 millions.

"Looking forward into 1955, it is reasonable to expect that our national resources will continue to support thriving industries which may well set new standards of prosperity," said Mr. Bourke.

"We may have to adjust to new patterns and new demands, but I am confident we will meet the challenge."

| | 1954 | 1953 |
|---|---|---|
| | —$000 | |
| Insurance in force | 6,038,445 | 5,678,070 |
| New insurance | 696,907 | 576,947 |
| Total income | 291,487 | 276,132 |
| Premiums | 188,272 | 182,318 |
| Int., divds., rents | 72,909 | 66,494 |
| Other income | 30,146 | 27,320 |
| Policy payments | 243,895 | 228,351 |
| Expenses & taxes | 28,503 | 26,741 |
| Invest. res. | ..... | 4,000 |
| Other payments | 11,938 | 11,486 |
| Incr. in accident fund | 57 | 19 |
| Increase in surplus | 7,004 | 5,535 |
| Actuarial liabs. | 1,489,529 | 1,460,531 |
| Liabs. to p'holders | 213,153 | 205,240 |
| Other liabs. | 42,879 | 40,267 |
| Liabs. to sh'holders | 4,415 | 4,419 |
| Conting. res. | 15,000 | 15,000 |
| Total assets | 1,876,213 | 1,829,790 |
| Surplus | 111,237 | 104,233 |
| Gross int. earned | 4.07% | 3.90% |

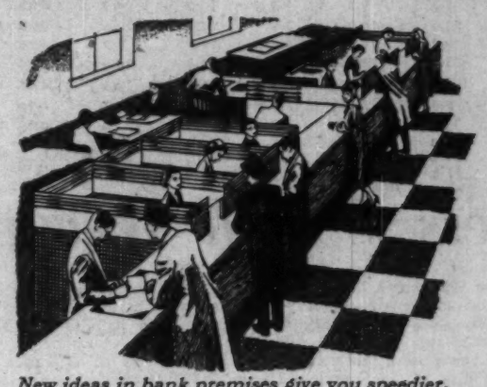
### U. S. $ Value in Canada

Daily at Noon as Reported By The Bank of Canada

**Week Ended Feb. 11, 1955**

| | | | |
|---|---|---|---|
| Mon. | .97 1/32 | Thurs. | .97 1/32 |
| Tues. | .97 1/32 | Fri. | .97 7/32 |
| Wed. | .97 1/32 | Ave. | .97 11/160 |


# How Banking keeps pace . . .



*New ideas in bank premises give you speedier, more convenient, more informal banking service.*

*Modern machines help bank staffs keep up with greater use of services by more and more customers.*

*The chartered banks have opened many branches in recent years to meet the needs of growing Canada.*

Today Canadians have 9,200,000 deposit accounts in the chartered banks—3,800,000 opened in the past ten years. Within the same period, branches have increased to 4,000; bank staffs have almost doubled to more than 50,000. Banking has grown in size and scope, continually adapting its services and improving its methods of operation, keeping pace with the greatly-increased banking requirements of the Canadian people.

THE BANKS SERVING YOUR COMMUNITY


## Int. Bank 6-Month Net Rises 21.8%

For the six-month period ended Dec. 31, 1954, the International Bank for Reconstruction and Development reported a net income of $12.3 millions. This is 21.8% higher than net income for the comparable period of 1953 of $10.1 millions.

The income was placed in the supplemental reserve against losses on loans and guarantees, and raised the reserve to $109.1 millions. Loan commissions amounted to $6.6 millions and were credited to the special reserve, which was then increased to $55.6 millions. Total reserves at Dec. 31 were $164.7 millions.

Gross income, exclusive of loan commissions, was $29.3 millions, compared with $23.9 millions in the last six months of 1953. Expenses were $17 millions.

Eight loans were made in the six-month period, totaling $149.4 millions. They were to Austria, Belgium, Ceylon, Colombia, El Salvador, India, Mexico and Peru. Total loans signed by the bank now amount to $2,063.9 millions. Disbursements on loans were $128.9 millions, bringing total disbursements to $1,534.5 millions.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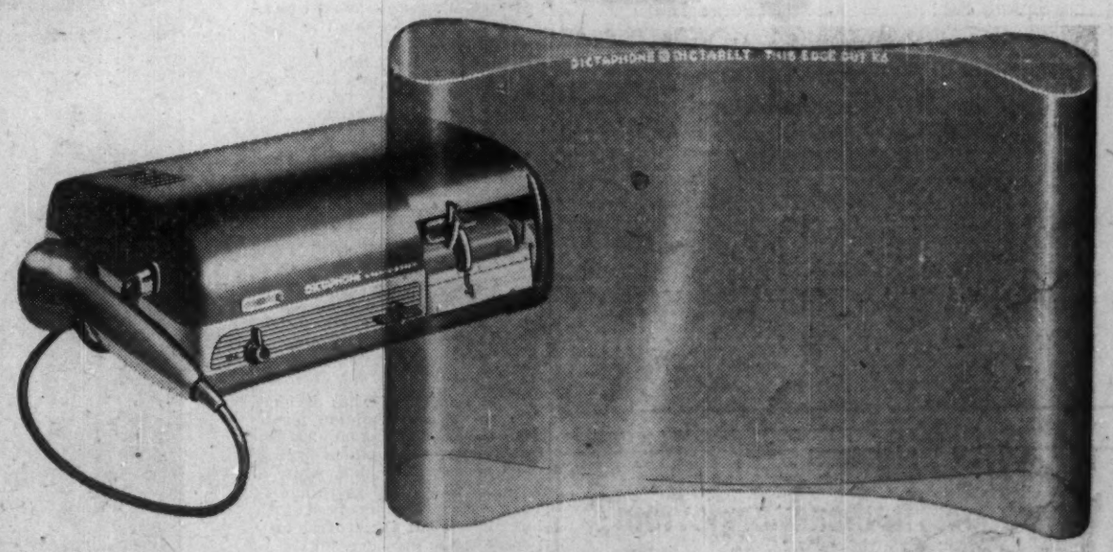


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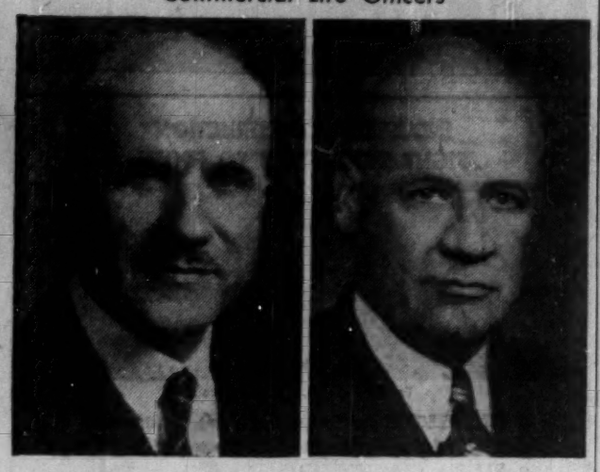

E. B. H. SHAVER G. C. CRAWFORD

At the annual meeting of The Commercial Life Assurance Company of Canada, Mr. E. B. H. Shaver, Managing Director of the Company, was elected Vice-President. Mr. G. C. Crawford, a Director, was elected a Vice-President.

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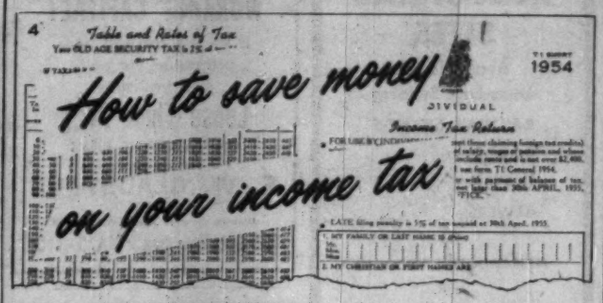


***If you dont know all the details of deductions, dividend allowances, depletion, etc., you may be paying more income tax than is necessary. Your sole legal and moral responsibility is to meet the legislative requirements. You don't have to cheat to save money.***

***Here is another in a Financial Post series dealing with common questions on income tax. Remember the personal income tax deadline is April 30.***

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**I am planning to give each of my children some of my money but I understand I have to pay gift tax if I do. What gifts if any may I make without having to pay gift tax? Does it make any difference if the gifts are money or property?**

Gifts of any kind to an individual, whether money, real estate, securities or articles such as an automobile, jewelry, etc. are liable to gift tax if the total value in any one year to the individual exceeds $1,000, and if the total of all such gifts over $1,000 exceeds $4,000 or half the difference between your taxable income for the immediately preceding taxation year and the tax payable thereon whichever is the greater.

Thus you have two exemptions: —One thousand dollars on gifts to any one person in the year; and the greater of the two totals noted above, on the aggregate value of gifts of over $1,000 given in the year.

The tax is payable on the excess of your gifts over the exemptions noted above. Thus if you give each of five children $1,000, you would give a total of $5,000, but you would not be liable for tax because none of the gifts exceeded $1,000.

But if you give each of them $1,025, or a total of $5,125 you would be liable for tax on $1,125. However, if half the difference between your taxable income and the tax you paid in the immediately preceding year exceeded $5,125 you would have no tax to pay. Rates of gift tax range from 10% on gifts totaling $1 to $5,000 up to 28% on gifts with an aggregate value of $1 million or more.

There is also a Gift Tax Return GTI which you would have to make. The Gift Tax is payable by April 30 each year.

If you die within three years of the date of the gift, your gifts must be included in your estate for federal succession duties but the gift tax is deductible from your succession duty (if any) payable to the Federal Government.

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**I am a farmer doing what is generally called mixed farming, growing some grain, beef cattle, pigs, etc. I plan however to go into breeding thoroughbred cattle. A friend tells me it is important to establish a "basic herd" for income tax purposes. Just what does this mean and what is the importance from an income tax angle?**

The production of cattle or other livestock for sale assumes the maintenance of a permanent herd—the basic herd. Such a herd must be approved for income tax purposes. If you plan to produce and sell both registered and "grade" (not registered) animals and the number of animals in either of two classes exceeds 10% of the total in the permanent breeding herd, it is necessary to have a separate "basic herd" for each class.

The basic or permanent herd from which you breed animals for sale is your capital investment. The number of animals in the basic herd can be increased or decreased under regulations provided. One important element in having the basic herd approved by the tax department is that if some day you sell your foundation stock or part of it, the proceeds would be regarded as capital return, not income. If you don't establish a basic herd and have it approved, the proceeds of such a sale might be considered income and taxable.

---

**I had a lot of sickness in my family in 1954 and heavy expenses for medical attention. What deductions can I claim?**

You can deduct allowable expenses, exceeding 3% of your net income—not your net taxable income but your net income as distinct from your gross income (such as that of a professional or businessman, before deducting his operating expenses). These expenses must be paid within 12 months ending in the taxation years. When the taxpayer dies, the medical expenses must be paid within a 12-month period beginning in the taxation year. It makes no difference if they are paid by the taxpayer or his legal representative.

Payments to be deductible must be made:

To a medical practitioner, dentist or nurse qualified to practice under the laws of the place where the expenses were incurred, or a public or licensed private hospital in respect of a birth in the taxpayer's family, illness of or operation on the taxpayer, his spouse or any dependent for whom he may make a deduction for income tax.

(A medical practitioner includes a medical doctor, an osteopath, chiropractor, chiropodist, therapeutist, masseur, etc.—licensed to practice where the service was performed.)

To a full time attendant on the taxpayer or any of his dependents noted above when confined for the whole year to bed or a wheel chair or if totally blind at any time in the year.

For or in respect of an artificial limb, iron lung, spinal brace, brace for a limb, hearing aid or a wheel chair, for insulin, cortisone, ACTH, liver extract injectible for pernicious anaemia, or vitamin B12 for pernicious anaemia purchased for use by the taxpayer, his spouse or any dependent (as prescribed by a qualified medical practitioner).

Ordinary drugs, medicines, etc., included in a medical practitioner's or hospital bill are deductible, not when bought otherwise.

The maximum medical expenses allowed range from $1,500 for a single person, no dependents, to $3,500 if he has four or more dependents and from $2,000 for a married person, no dependents, up to $4,000 if he has four or more dependents.

Be sure to keep all receipts for medical expenses, as you will need them when making your claim.

---

**Last year, when leaving my employment after many years service I was given a substantial lump sum of money. The company had no pension plan. Somebody told me that I should add this money to my income for the year which would result in me paying tax on the money at the highest rate in my income bracket. Another friend tells me, however, that a section in the Income Tax Act provides some relief in such cases. What is this and is it mentioned in the tax return anywhere?**

When an employee receives a lump sum payment or payments in lieu of a retiring allowance or any similar payment or payments, Section 36 (1) of the Act allows the taxpayer to exclude such payment from his ordinary income and treat it separately.

He then:

(1) Totals his income for the three preceding years. (In case of receiving the sum in 1954, these years would be 1951-52-53) and deducts pension fund contributions if any;

(2) Totals his gross tax payable for the three years;

(3) Calculates the rate per cent of 2 to 1 and then computes his tax on the lump sum payment or payments at this rate.

This method of calculating the tax is not shown in the tax return and many people are unaware of it. It is understood at least one firm of specialists dealing in pension plans has evolved a form showing how to take advantage of this clause.

---

**About three years ago I bought a house in the suburbs of my home city, with three acres around it, intending to do a lot of gardening. I found, however, that my regular job was taking so much of my time I couldn't do much gardening. Last year I sold most of the land keeping less than an acre around my house. In the interval since I first bought the land real estate values had increased substantially and I made quite a profit. Is this profit considered income and taxable or is it capital gains? I am a practicing dentist.**

This is a complicated problem. Whether the profit is taxable or a capital gain depends on all the circumstances and relevant court decisions. It is suggested you refer it to your solicitor or the taxation office.

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### NOTICE

Notice is hereby given that the Indemnity Insurance Company of North America has received from the Department of Insurance, Ottawa, Certificate of Registry No. C 1559, authorizing it to transact in Canada the business of Accident Insurance, Aircraft Insurance, Automobile Insurance, Forgery Insurance, Guarantee Insurance, Plate Glass Insurance, Sickness Insurance and Theft Insurance.

H. C. MILLS,
Chief Agent in Canada.

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### NOTICE

Notice is hereby given that Certificate of Registry No. C1561 has been granted by the Dominion Insurance Department, Ottawa, to The Dominion Insurance Corporation, Toronto, authorizing it to transact in Canada the business of Inland Transportation Insurance and Personal Property Insurance in addition to the classes for which it is already registered.

R. H. L. MASSIE,
President.

PROGRESS REPORT FOR 1954

Balance Sheet December 31, 1954

ASSETS

| | | |
|---|---|---|
| Debentures of or guaranteed by federal governments and the provinces of Canada | $ 8,910,418 | |
| Municipal, public utility, industrial and miscellaneous bonds and debentures | 5,497,519 | |
| Preferred and common stocks | 1,649,255 | $16,057,192 |
| First mortgages on real estate and agreements of sale: | | |
| Mortgages | $13,189,875 | |
| Agreements of sale | 26,114 | 13,215,989 |
| Loans on policies (fully secured by cash surrender values) | | 1,807,998 |
| Real estate: | | |
| Head office building | $ 540,000 | |
| Properties held for investment | 221,891 | 761,891 |
| Cash on hand and in banks | | 92,145 |
| Total ledger assets | | $31,935,215 |
| Interest accrued but not yet due | | 248,038 |
| Insurance and annuity premiums in course of collection (net) | | 183,385 |
| NOTE: The values at which the bonds and stocks are shown are not in excess of amortized cost and in the aggregate do not exceed the values permitted by the Canadian and British Insurance Companies Act. | | |
| | | $32,366,638 |

LIABILITIES

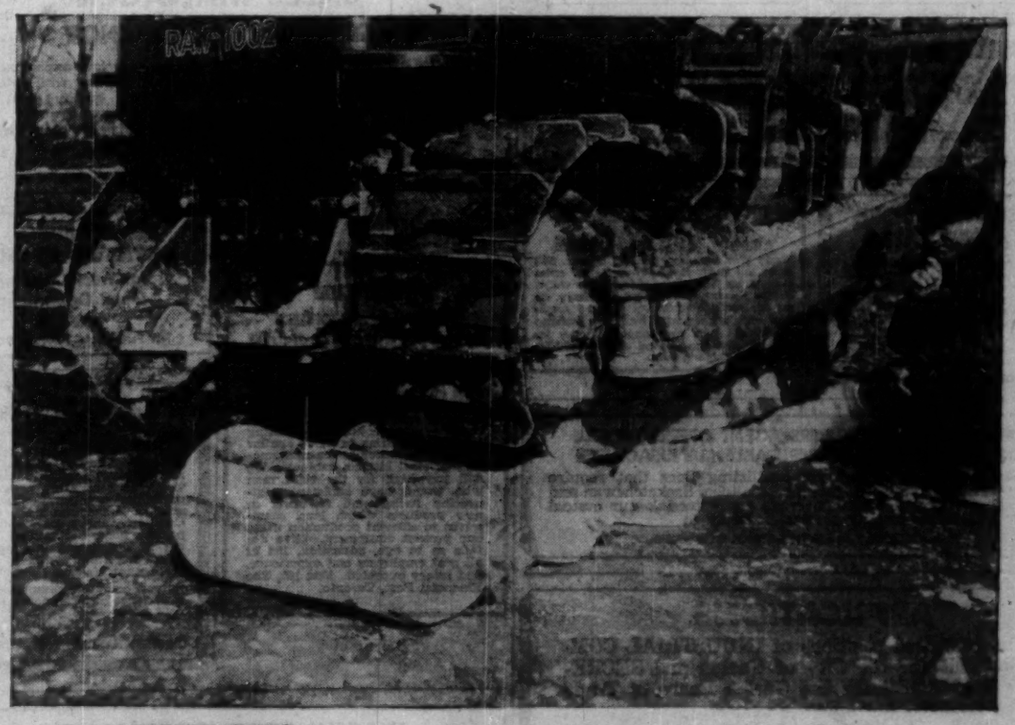
| | | |
|---|---|---|
| Policy reserves which, with interest and future premiums, are to provide for insurance and annuity claims as they fall due | | $26,187,358 |
| Other obligations to policyholders and beneficiaries: | | |
| Policy proceeds left on deposit and premiums paid in advance | $ 2,224,297 | |
| Policy claims awaiting proof | 233,327 | |
| Provision for unreported claims | 35,000 | |
| Provision for policy dividends payable in 1955 and subsequent years | 311,574 | 2,804,198 |
| Other liabilities: | | |
| Bank overdrafts | $ 297,115 | |
| Staff and agents' pension funds | 497,952 | |
| Sundry amounts due and accrued | 132,376 | |
| Reserve for contingencies | 25,000 | 952,443 |
| Total liabilities to policyholders, beneficiaries and others | | $29,943,999 |
| Additional protection for policyholders and beneficiaries: | | |
| Capital stock paid up | $ 250,000 | |
| Shareholders' surplus | 139,861 | 389,861 |
| Investment reserve (a protection against possible future depreciation in asset values) | | 500,000 |
| Unallocated surplus | | 1,532,778 |
| | | $32,366,638 |

- NEW BUSINESS (EXCLUDING ANNUITIES) - - - - - $ 25,137,669
- BUSINESS IN FORCE (EXCLUDING ANNUITIES) - - - - - 177,449,205
- INCREASE IN SURPLUS - - - - - - 261,835
- GROSS INTEREST RATE EARNED - - - 4.94%

THE NORTHERN LIFE ASSURANCE COMPANY OF CANADA

R. G. IVEY, Q.C., President
Established 1897

H. L. SHARPE, General Manager
Head Office: London, Canada



Flexible polythene housewares do not chip, crack or break—are increasingly preferred in Canadian kitchens.

On farms, in industry and for municipal uses, flexible polythene pipe is favoured for lightness and ease of installation.

Unbreakable polythene toys last longer, are safer, colour-fast, more realistic.

*lightweight carboys of*

*flexible* **polythene**

*withstand rugged punishment*

Light, unbreakable polythene carboys reduce shipping charges, save costly dangerous breakages, can safely contain most corrosive chemicals. Polythene squeeze bottles, too, for toiletries and pharmaceuticals, offer utility, safety, economy and sales appeal.

POLYTHENE'S USEFUL PROPERTIES —lightness, toughness, chemical resistance and other valuable features provide the answer to many production and merchandising problems. So, consider polythene for *your* business too . . . it can mean reduced costs, increased sales, simplified production.

*For further information or technical service, write to Canadian Industries (1954) Limited, P.O. Box 10, Montreal.*

C-I-L SERVING CANADIANS THROUGH CHEMISTRY

plastics

SUPPLIERS OF PLASTIC RAW MATERIALS

# CAREERS

*This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer*

## EXECUTIVE ACCOUNTANT REQUIRED

A large Canadian company offers an unusual opportunity to a qualified accountant, C.A., age 35-40, as executive accounting officer of one of its principal divisions.

Diversified and comprehensive experience in all phases of industrial accounting, including budgets, cost control and financial reports to management, is essential. Proven administrative skill is required to direct and control the staff numbering several hundred.

It is unlikely that candidates will be considered unless they have at least seven years' experience in industrial accounting, with a minimum of three years as Assistant Comptroller or Comptroller in a medium to large company.

Long-term opportunities in this company are challenging and attractive.

Applications, which will be treated in confidence, should contain full particulars of qualifications and experience. Envelopes should be marked "Executive Accountant" and mailed to:

**PRICE WATERHOUSE & CO.**
800 Royal Bank Building
Toronto 1 Ontario

## GENERAL MANAGER REQUIRED

By Important U.S. Manufacturer with excellent product line, setting up Canadian operation.

Selling, Engineering and Manufacturing experience in aircraft and heavy machinery desirable.

Position requires alert, courageous, hard working man capable of making important decisions alone.

Age 35-45 years. Submit complete resume of personal history and business experience.

BOX 164, THE FINANCIAL POST, TORONTO

SPECIALISTS IN FINDING
EXECUTIVES AND SALESMEN FOR INDUSTRY
*We never accept a fee from an individual*
330 BAY ST., TORONTO
PHONE: EM. 6-1068
EXECUTIVE SELECTION CONSULTANTS

# OPPORTUNITIES

**FINANCE COMPANIES**

If YOU want to start, manage, buy, sell or invest in a finance, loan or discount Company OR if you know of any existing opportunity in this industry, write in confidence to Edward L. Dixon and Associates, 70 Hillcrest, St. Catharines, Ontario.

**ATTENTION INVESTORS**

Opportunity desired as Assistant to independent speculator. Wide experience in self-made business. Have small capital to invest. Excellent background.

Box 3, Station J, Toronto 6.

**WILL BUY FINANCE COMPANY**

Interested in buying a finance company in South Western Ontario. Will pay cash. All replies held in strict confidence. Reply to

BOX 168, THE FINANCIAL POST, TORONTO

**INVESTIGATE BEFORE YOU SPECULATE**

Before investing in Canadian mining prospects, use the services of a graduate geologist with a B.Sc. from an outstanding university and years of practical experience. Assignments accepted anywhere in Eastern Canada on the basis of either a fixed fee or an agreed remuneration per day. Wire or write Geologist, Box 605, Montreal 3.

***FOR SALE***

**AIRPORT, CALGARY, ALBERTA**

World War emergency airfield approx. 500 Acres, all level, wonderful view. 2.7 miles runway by 100 foot wide. City water, hydro, sewerage, drainage. Hangars removed, concrete remaining in good condition with underground heating. Trackage available. Joins new proposed heavy industrial district. General Realty, 602-7th Ave. W., Calgary, Alta.

**WINNIPEG MANUFACTURERS AGENT OFFERS TO SELL WORTHY PRODUCTS OF REPUTABLE MANUFACTURER**

Am interested in additional non-conflicting lines that require development or established lines for Manitoba, Saskatchewan and the Lakehead. Conscientious coverage guaranteed to our mutual benefit. References readily available. Reply to

BOX 171, THE FINANCIAL POST, TORONTO.

## APPLICATIONS

for the combined positions of INDUSTRIAL COMMISSIONER for the City of Guelph and SECRETARY-MANAGER for the Guelph Board of Trade will be received until Feb. 28, 1955.

Applications with full details, including snapshot, to be submitted in writing only

TO
The Chairman
**The Guelph Industrial Commission**
Office of the Guelph Board of Trade
Guelph, Ont.

# WANTED

Information on smart people who realize the advantage of selling their business to take advantage of taxes.

An established Canadian manufacturer would like to invest in most any manufacturing business dealing in the electrical industry . . . **not consumer goods** . . . and no one will be the wiser that you have a business for sale.

BOX 153, THE FINANCIAL POST, TORONTO

**AVAILABLE IN MARCH**

EXPERIENCED OFFICE MANAGER, ACCOUNTANT AND COST ACCOUNTANT

*Complete Information Forwarded upon Request*
P.O. BOX 165, THE FINANCIAL POST, TORONTO.

## EXPERIENCE FOR SALE

Can you use a successful practical businessman, age 38, with the following background in your organization —

Good educational and business background.
Started business career at age 19.
5 years—Wholesale Grocery Salesman.
4 years—War Service.
3 years—Marketing Research in a supervisory capacity.
7 years—and presently employed as Plant Manager in the food industry with a very successful record. Desires change for greater responsibilities and income.

APPLY BOX 161, THE FINANCIAL POST, TORONTO, ONT.

## CONTROLLER WANTED

**Salary Range $7000-$8000**

One of our employer-clients — a subsidiary of a large U.S.A. corporation, wants a Controller. This company serves the automotive and aircraft field (fittings, subassemblies) in Canada, with annual sales of approximately Three Million Dollars. They have about 350 employees, with 50 in the office. Location is in South-Western Ontario.

The man we have in mind should be well versed in all phases of accounting with particular emphasis on costs, budgets, credits, customs and financial functions. Preferably he should be a Chartered Accountant with a seasoned background of industrial experience. Also, the ideal man would have a pleasing personality — good appearance, aggressive, and be able to present his ideas intelligently and persuasively. Above all he should have a flair for handling people harmoniously and should be able to make decisions quickly, especially decisions relating to accounting and financing. Age range 33-45.

Please apply in writing with full particulars about personal, educational and business background. All negotiations will be treated in strict confidence. Placement fee paid by the employer.

**J. B. FRASER**
EXECUTIVE PLACEMENT
CONSULTANTS LIMITED
*Established 1936*
185 BLOOR ST. EAST - TORONTO, ONT.

## SALES MANAGER

**GROCERY EXPERIENCE**

Unique opportunity for right man with training and experience to direct marketing of rapidly expanding dairy product with national distribution in the grocery field. Only top quality man with successful background considered. Salary commensurate with calibre of applicants. Write in confidence giving complete history.

BOX 173, THE FINANCIAL POST, TORONTO

***HUSTLER***

TO HEAD UP A PROPOSED
"NEW PRODUCT" DIVISION

We want a man to take on the responsibility of developing new lines and organizing the necessary sales distribution. He should have a large number of contacts (at both the manufacturing and selling levels) with firms in fields similar to our own which is the manufacture of steel kitchen cabinets. We will pay high for the right man who would have sufficient engineering background to bring in new products which lend themselves to efficient production using our present equipment. Give details as to age, education, list of all past employers and experience, and salary expected. Box 160, The Financial Post, Toronto.

Wanted:
**ESTATES OFFICER**
for Trust Company
Good Opportunity
BOX 169.
THE FINANCIAL POST, TORONTO

**Accountant Wanted**

For Canadian operations of a substantial and progressive U. S. manufacturer. Position entails complete responsibility for accounting, supervision of accounting personnel and participation in administrative planning of a medium sized operation. Candidate must be qualified and possess good background of training in accounting and administration, preferably with a chartered accountant license.

Submit complete resume of business experience and personal history. Age range 30-45 years.

BOX 172,
THE FINANCIAL POST, TORONTO

**WASHINGTON SPECIALISTS**

Do you need Representation in U.S. Capital? We provide business-government information, research and data analysis, procurement and contract negotiation, document preparation, liaison services, and general administrative assistance covering business and government activities.

P.O. Box 23, Washington 4, D.C., U.S.A.

**LEADING UNITED STATES CHALKBOARD MANUFACTURER DESIRES REPRESENTATIVES**

Prefer experienced organization to SELL, ERECT and SERVICE. Furnish background information. All inquiries strictly confidential.

BOX 167, THE FINANCIAL POST, TORONTO.

# CLASSIFIED ADVERTISEMENTS

**CLASSIFIED ADVERTISING RATES**

Flat rate, per word ..... 11c
Minimum charge ..... $3.00
Each initial figure or fraction, abbreviation and sign counts as one word; if a box number is desired, the words "Box 100, The Financial Post, Toronto," count as six words. When replies are mailed to advertiser, 15 cents extra is charged. Closing date—Copy must be in Toronto office by Tuesday a.m. Classified advertising is strictly cash in advance.

## POSITIONS WANTED

YOUNG SALES EXECUTIVE now residing in U.S.A. wishes to return to Canada. Graduate Engineer, Canadian, age 32. Strong sales engineering background with management experience. Seeking position as assistant to general sales manager, or division sales manager. Box 162, The Financial Post, Toronto.

## POSITIONS AVAILABLE

APPLICATIONS WILL BE RECEIVED by the undersigned up to 5 p.m. Friday, March 4th, 1955 for the position of City Engineer for the City of Prince Rupert. Applicants must have had previous municipal engineering experience and be a member of the Association of Professional Engineers. Applications to state age, marital status and previous experience. Please state salary expected. R. W. Long, City Clerk-Comptroller, City Hall, Fulton Street, Prince Rupert, B.C.

## FOR SALE

OUTSTANDING OSHAWA PROPERTY FOR SALE. Suitable for Industrial, Factory or Store. Reasonably priced at $325,000 for quick sale. 45,000 sq. ft. on 3 floors. Steam heated. Reinforced concrete buildings. Basement. Roof available for parking. Construction suitable for additional stories. Downtown location. 171' frontage and a depth of 220'. Photos and further information. Contact the Broker: Bernelce H. Patrick, 16 Bond St. East, Oshawa, Dial 5-3692.

**INDUSTRIAL SITES**

Available For Immediate Building
RAILWAY SIDINGS
ROADS
WATER
SEWERS
In
METROPOLITAN TORONTO
and
LONDON, ONTARIO
*Detailed information on request*
Ask for Mr. Heine or Mr. Wesley

**A. E. LePAGE**
LIMITED REALTORS
320 Bay St., Toronto EM. 3-5661

**DISPLAY ADVERTISING RATES**

$7.70 per col. inch per insertion. (55 cents per agate line, 14 lines constitute one inch). Closing date—Copy must be in Toronto Office by Tuesday a.m. Display advertising in this section payable in advance.

**DO YOU NEED WORKING CAPITAL?**

If so, we can sell your properties for cash and you may

**Lease Them Back**

ON FAVOURABLE TERMS
*For full details contact*
**E. W. GLADSTONE**
REALTOR
Member Toronto Real Estate Board
456 Spadina Ave., WA. 2-3154

**INDUSTRIAL SITES**

Low Cost — Serviced
Rail Siding — Highway
Abundant Water — Power
Good Labour Supply
**IN STRATHROY**
*Full Particulars On Request*
**CAMPBELL MacKINLAY**
*Real Estate*
Strathroy — Ontario

**ATTENTION INDUSTRY!**

**ARE YOU BLUEPRINTING FOR EXPANSION?**

We have available 45 acres of land in Scarboro zoned 1/3 industrial and 2/3 residential, with valuable frontages on main arteries. A planned development will provide housing and shopping for your own employees. The price is right.

WRITE BOX 166, THE FINANCIAL POST, TORONTO

# U.S. Demand Brings Boom In Exports of Aluminum

MONTREAL (Staff)—The pick-up in U. S. business conditions and a rush to rebuild inventories has created what may be a tight supply situation below the border in one of Canada's biggest export items: aluminum.

Two key indicators this week:

—Aluminium Ltd. is now understood to be receiving more enquiries from the U. S. than it can handle for spot delivery. There's been a definite upsurge in business since the end of 1954 and this, coupled with very strong demand from overseas, means the big Canadian producer is a bit pushed at the moment to fill all the orders flowing in.

—U. S. prices for secondary aluminum (remelted scrap) have moved up sharply, and are now running from 24 cents to 27 cents a pound, well above the basic 21½ cents charged for aluminum pig by primary producers. The secondary market is traditionally volatile, reacting quickly to changes in demand-supply relationships, and secondary prices usually run considerably below those for primary metal.

Main reason for the sharp increase in U.S. demand is thought to be the improved general business picture. But in addition, many fabricators had cut their inventories to abnormally low levels and are now trying to restock. Higher prices for copper may also be a factor.

What makes the demand boost even more significant is that it is occurring in the face of a cutback in U. S. defense requirements. For the second quarter, defense set-asides have been trimmed to 15% of total U. S. production, against the previous 17%. Thus civilian business is taking up the slack.

The increase could be an inventory build-up. Primary producers in the U. S. have been denying possibility of a serious shortage developing. But at any rate, Aluminium now figures it will sell 225,000 tons in the U. S. this year, up sharply from 195,000 in 1954. The total, it's understood, includes the full 110,000 tons which the Canadian company committed itself to have available for independent fabricators in each of the years 1953-59.

The record for Canadian aluminum shipments to the U. S. was set in 1953, when 237,000 tons were moved in. The dip in 1954 was a result of unsettled economic conditions in the early months of the year. This year's figure will push back very close to record 1953, and 1956 should set a new high.

New uses are broadening the market in the U. S. rapidly. Last year, for instance, there was plenty of aluminum available but despite the general slowdown in business conditions civilian aluminum consumption hit a new high. Total shipments were down only because defense needs were off sharply.

Increasing use in architectural applications, in foil for packaging and wrapping, in refrigeration, freezer and air-conditioning lines, in outdoor furniture and irrigation pipe all played a major role, along with continued heavy demand in cars, trucks, buses, household utensils, electrical and electronic products, etc.

## Business Opportunities

FOR RENT

MONTREAL BRANCH SALES OFFICE service at very low cost. Let us explain without obligation. MERCHANDISE BUREAU 1103 Mayor Building, Montreal 2.

ADDITIONAL LINES WANTED

AGGRESSIVE bi-lingual sales organization calling on Federal, Provincial and Municipal Governments; pulp and paper mills and woodlands divisions; general contractors and sub-contractors; mines; mills; foundries; machine shops, and most other industries. Quebec City office handles that part of Province situated East of Three Rivers with balance of Province handled by Montreal Office. Will accept lines for either or both territories. We buy for our own account for resale. Have our own shop and sales room. We service products we sell. Send literature illustrating and describing your lines to: Products and Services Limited, 247 Boulevard des Capucins, Quebec, P.Q.

ADDITIONAL LINES REQUIRED

Industrial and construction products preferably of a mechanical nature to sell and distribute in the Edmonton area. Box 163, The Financial Post, Toron[illegible]

# REAL ESTATE

*A Dominion-wide market place for buyers and sellers of land, residences and commercial buildings*

**INDUSTRIAL CONSTRUCTION RIGHT FROM START TO FINISH**

Project # 171 S. F. & A. Samuels

- SITE SELECTED for Economical Plant Construction
- DESIGNED by Professional Architects and Engineers
- RAPIDLY CONSTRUCTED
- FINANCING Arranged By Lease or Contract

**FINLEY W. McLACHLAN LTD.**
195 FAIRBANK AVE. RE. 1138 TORONTO

**AN UNUSUAL LEASE OFFERING**

43c per sq. ft. — 49,000 sq. ft.
OR FOR SALE

Exceptionally heavy, well-constructed building on 1½ acres. Offered at half replacement cost.

Features:

- Possession March 15th • 12" reinforced concrete floors
- 5-car rail siding • City transportation — no extra fares
- High pressure steam and night watchman service available at low cost.
- Save many of the extras required in new building.

**SHORTILL & HODGKINS LIMITED**
REALTORS
2781 Yonge St., Toronto MA. 1111 (24 hr. service)

**MANUFACTURING & WAREHOUSE SPACE INSIDE TORONTO CITY LIMITS**

For rent — reasonably priced

All-brick building, approximately 22,000 square feet, including 4,300 square feet attractively prepared for offices, located in West End of City. Factory section suitable for storage and light manufacturing. Adjacent to railroad siding.

Steam heat and sprinkler system supplied. Other supplementary services available if desired.

Box 170, The Financial Post, Toronto

# *The Outlook for Real Estate*

## Toronto Board Expects More Competition in Housing

***What are the 1955 prospects for real estate?***

***Annual forecast for Metro-Real Estate Board says:***

***—The sales market for homes will be more competitive than ever;***

***—There will be fewer new apartments in the suburbs and more in city central area;***

***—Industrial expansion may lose some of its momentum;***

***—Land values along the routes of Metro's expanding services will see their greatest appreciation.***

***The forecast was presented by retiring President Bert E. Willoughby. Here is a digest:***

By BERT E. WILLOUGHBY

### *Houses*

Owners with homes for sale in 1955 will find the market more competitive than ever before. With acute shortages behind us, only those home that are well cared for, well planned, well built, well located, well priced and easily financed, will sell readily.

As you lower standards, we expect the market will soften. 1955 will be a year when buyers will look for and demand value for the dollar. Prices of older homes that have what the public want, should hold firm. New homes in the medium-priced field will require greater merchandising, but prices will hold if low down payments are available. 1955 will see fewer speculative custom-built homes in the twenty-five to fifty-thousand-dollar price range.

Many sales will be lost because vendors are not yet ready to accept the fact that supply and demand are better balanced than they have been for 10 years. Mortgage money for older homes will continue to be a problem and second mortgages on such sales will be more prevalent.

### *Apartments*

Most brokers feel that the construction of suburban apartment houses will diminish sharply, but we will see many new ones in our central area of the city. Apartments should not be a problem in 1955.

### *Decentralization*

What has our subway done for real estate values? It is apparent that 1955 will show further evidence of decentralization. Many people are content to move further out from the heart of the city for more comfortable living conditions, if they can commute just as quickly. Metropolitan Toronto's plans for new expressways in the years to come should lend even greater impetus to such trends.

Subway influence on shopping habits will be more pronounced in 1955. Speedy transportation, comfortable stores, variety of merchandise in confined areas, theatres and restaurants would seem to stem the recent shift of the purchase of household goods, clothing and other less perishable necessities. Along the subway route, 1955 may bring greater development of secondary shopping areas, featuring specialty shops such as we found at Bloor and St. Clair areas.

Land values in such regions should hold and in some cases depreciate sharply. Suburban shopping centres will continue to enjoy good business if located in proper density areas and with adequate parking. Future assured for good business in 1955, particularly for those stores dealing in the daily necessities of life, such as food chains, variety stores and hardware chains.

Subway decentralization will not be confined to residential. Continual commercial growth in uptown areas is anticipated for 1955, particularly in the vicinity of subway stations. Land values in such areas can be expected to experience a sharp rise as has been the case in the Yonge and Bloor, Yonge and St. Clair and Yonge and Eglinton intersections.

Office space for 1955 will find a buyer's market. Already prices have eased as a result of the tremendous increase of new office space in 1954. Landlords in older buildings must prepare themselves for more reasonable rentals and greater maintenance expenditures if they are to hold 100% occupancy.

Prices of commercial property in locations other than those considered as prime, could experience considerable softness. Well located modern accommodation should experience no great difficulty if priced to meet the market demand.

### *Redevelopment*

The resistance of many people to a general exodus to suburbs has brought about the demolition of older buildings in place of new dwellings for the large part of the multiple family type. 1955 will see an even greater trend in this direction, and former obsolescent residential areas will be replaced by large apartment dwellings and commercial buildings.

The Bloor and Jarvis St. area, Avenue Road and St. Clair area, are evidence of the virtue of such rehabilitation and the same trend can be seen in many other districts, particularly in the vicinity of our subway stations at Wellesley and Summerhill Ave. Private enterprise has done a good job, but most realtors feel that in the interest of the people, our government should assist private enterprise with some form of mortgage financing designed to encourage this program.

### *Industrial Land*

Industrial expansion which has experienced an unprecedented growth, can be expected to lose some of its momentum. Serviced land in the popular industrial areas of Scarborough's Golden Mile, Etobicoke and North Yorks' on Highway 400, and many others, will retain present values and may even reach new highs. Land values in 1955 will see their greatest appreciation along the routes of Metro's expanding services. Beyond this area, no great change is anticipated in prices, owing to the present high values and the uncertainty of future services.

# Ont. Hydro Issue Sold

A $65 million issue of debentures of the Hydro Electric Power Commission of Ontario was sold this week by a syndicate of dealers headed by McLeod, Young, Weir & Co.

The issue consisted of $25 million 3% debentures due March 1, 1963 and $40 million 3½% debentures due March 1, 1977. The 3% issue was sold at par and the 3½% at 99.75 to yield 3.52%.

Proceeds will be used to meet construction expenditures and pay off any temporary borrowing.

ANNOUNCEMENT

J. E. HUGHES, Q.C.

The appointment of J. E. Hughes, Q.C., as General Counsel and Secretary of Shell Oil Company of Canada, Limited, is announced by W. M. V. Ash, President. Born in New Brunswick, Mr. Hughes, prior to his coming to Shell, was for a number of years Senior Counsel in the Attorney General's Department of that Province. He was created a Queen's Counsel in 1952 and joined Shell the same year. Mr. Hughes will make his headquarters at the Company's head office in Toronto.

keeping Canadian OIL on the MAP
NICKLE MAP SERVICE LTD.

## Staff Changes

**Chartered banks announce the following staff changes:**

**Nova Scotia:**
H. H. HILL, manager, Milton, Ont., to be manager, Russell, Ont.
K. F. KIRKE, to be assistant accountant at Charlotte Street, Saint John, N.B.

* * *

**Commerce:**
J. S. EDGECOMBE, assistant accountant, Halifax, N.S., to be accountant, New Glasgow, N.S.
P. E. LARSON, to be administrative officer, head office, Toronto.
D. B. MacDOUGALD, accountant, Charlottetown, P.E.I., to be accountant, Halifax, N.S.
D. E. MATTHEWS, accountant, New Glasgow, N.S., to be accountant, Charlottetown, P.E.I.
C. S. SMITH, administrative officer, to be superintendent, at head office, Toronto.
P. UNGER, to be assistant accountant, Victory Square, Vancouver, B.C.

# Approve Lower Gas Rates For Consumers' Gas

The Ontario Fuel Board has approved the new natural gas rates proposed by Consumers' Gas Co. of Toronto for its greater Toronto market area. The new, lower rates — effective on all bills starting Feb. 17 — will be interim rates in force until Oct. 1, 1955.

Some time before Oct. 1 next, affected parties — the municipalities, Consumers' Gas — will have met with the Fuel Board to review the whole rate question and decide on forward rate policy. The intervening period will supply valuable data on just how fast natural gas loads can be built up on the current rate basis.

"Volume consumption is the key to the future of natural gas distribution in this area, the key to lower prices," Oakah L. Jones, vice-president and general manager of Consumers' Gas, stated this week.

"Our continued policy will be to sell gas at the lowest rates practicable; to keep our rates in a satisfactory competitive position in relation to other sources of energy, to continue to give the best in customer service."

Customer savings under the new rate basis approved this week will vary from 4% for small consumers to as high as 40% in the case of very heavy gas users. Total savings to company's present 165,000 customers will work out to around $2.5 millions a year.

The main three-month conversion job will be completed this Saturday, with some readjustment to follow as rapidly as crews can complete it.

# Trend of Business

**Department store sales in** the week ended Feb. 5 were 6% higher than the corresponding week of last year. All regions saw at least nominal increases. Biggest rise was the Atlantic provinces, up 25%; B. C. was up 11%; Manitoba, 16%; Alberta, 5%; Quebec, 1%; Saskatchewan, 1%; Ontario, 1%.

**Bank holdings of NHA mortgages** at Dec. 31 are now disclosed as $74 millions. Their loan approvals no doubt exceeded this; bankers have estimated that they approved about $100 millions. It takes time for the approved loan to get into the hands of the borrower.

**Royal Bank of Canada** is largest holder of mortgages among banks: it had $31.2 millions. Bank of Montreal was in second place with $19.1 millions. Canadian Bank of Commerce was third, $11.7 millions. Other banks holdings: Toronto, $4 millions; Imperial, $2.5 millions; Nova Scotia, $2.3 millions; Banque Canadienne Nationale, $2.2 millions; Dominion, $1 million; Provinciale, $236,000; Barclay's, $30,000. The Mercantile had no mortgage holdings.

**Passenger car production** in week ended Feb. 11 is up by about 1,300 vehicles over a month earlier—result of end of the Ford strike. Truck production picked up faster percentagewise.

**Money supply**—active bank deposits and outstanding currency—is up 6% compared with year earlier.

**Bank loans** outstanding to construction contractors 15% higher than year earlier, at beginning of this year.

**Farmers' loans outstanding** at banks 1% above year earlier.

**Regional city consumer price** indexes went up slightly in four cities at latest, from the month earlier, and up in three others. Three showed no change. The changes were mostly small in individual groups of commodities covered by indexes. Food indexes were going down in most cities.

**Exports to Commonwealth countries** other than the U. K. dropped last year by 16% to $195 millions. Sharp decreases in our sales to India, Pakistan and South Africa. But substantial increases in shipments to Australia, New Zealand, small increases to British West Indies.

## Major Weekly Indicators

| | | LATEST WEEK | Week Ago | Month Ago | Year Ago |
|---|---|---|---|---|---|
| Department store sales (% ch. from year earlier) | | +6% | +6.8% | +4.3% | +3% |
| Carloading, totals | (cars) | 69,117* | 70,032 | 68,513 | 64,294 |
| Eastern Canada | (cars) | 44,390 | 43,886 | 41,964 | 44,283 |
| Western Canada | (cars) | 24,727 | 26,146 | 26,549 | 20,011 |
| Iron & Steel (m'fd) | (cars) | 1,007 | 907 | 1,003 | 1,006 |
| Ores, concentrates | (cars) | 2,521 | 2,698 | 2,630 | 2,141 |
| Base metals | (cars) | 694 | 579 | 671 | 456 |
| Lumber, timber, plywood | (cars) | 3,615 | 3,449 | 3,684 | 2,383 |
| Cement | (cars) | 430 | 441 | 497 | 456 |
| Passenger car prod. | (no.) | 7,374 | 6,444 | 6,068 | .... |
| Truck production | (no.) | 1,175 | 533 | 896 | .... |
| Bus. failures 4-wk. moving av. | (no.) | 27.8 | 24.8 | 31.8 | 30.5 |
| Chartered banks | | | | | |
| Personal savings | ($ millions) | 5,313 | 5,257 | 5,239 | 4,839 |
| Loans outstanding | ($ millions) | 4,030 | 4,022 | 4,095 | 3,876 |
| NHA mtge. holdings | ($ millions) | 87 | 86 | 76 | .... |
| Bank of Canada holdings of securities | ($ millions) | 2,120 | 2,119 | 2,291 | 2,273 |
| Short term govern. | ($ millions) | 1,247 | 1,250 | 1,362 | 1,353 |
| Long term govern. | ($ millions) | 861 | 876 | 916 | 897 |
| Other securities | ($ millions) | 12 | 12 | 12 | 23 |
| Canadian dollar (U.S. cents aver.) | | 103.020 | 103.033 | 103.210 | 103.520 |
| T.S.E. industrial index | | 383.34 | 377.98 | 375.73 | 324.02 |
| Yield, 114 stocks | | 4.51%* | 4.55% | 4.55% | 5.50% |
| Dom. bond yield index ('35=100) | | 97.3 | 98.6 | 100.3 | 113.6 |
| Bank clearings | | | | | |
| Montreal | ($ millions) | 505 | 662 | 501 | 449 |
| Toronto | ($ millions) | 565 | 783 | 564 | 561 |

*Last issue's data.

## Facts by the Month

| WHAT WE PRODUCE— | LATEST MONTH AVAILABLE | One Month Previous | Two Months Previous | One Year Previous |
|---|---|---|---|---|
| In all industries (Index) | 254.9 | 256.4 | 253.9 | 250.6 |
| In factories (Index) | 258.8 | 258.5 | 256.8 | 194.1 |
| Total nondurable goods (Index) | 232.2 | 234.5 | 234.7 | 230.7 |
| Food and bev. (Index) | 244.6 | 246.2 | 256.0 | 243.8 |
| Textiles (Index) | 169.0 | .... | 180.0 | 170.6 |
| Clothing (Index) | 149.7 | 151.4 | 149.4 | 156.4 |
| Chemical products (Index) | 281.1 | 285.3 | 282.8 | 285.2 |
| Total durable goods (Index) | 225.1 | 296.1 | 291.3 | 315.5 |
| Iron & steel products (Index) | 248.4 | 250.7 | 250.4 | 290.1 |
| Primary iron & steel (Index) | 263.3 | 241.0 | 228.8 | 326.4 |
| From mines (Index) | 227.5 | 243.7 | 244.8 | 194.1 |
| Metals (Index) | 132.5 | 132.1 | 131.3 | 104.1 |
| Nonferrous smelting refining (Index) | 230.4 | 250.7 | 244.6 | 225.8 |
| Gold (Index) | 111.3 | 106.0 | 108.0 | 79.0 |
| —From farms | | | | |
| Hogs graded (000) | 508 | 431 | 314 | 444 |
| Cattle delivered (000) | 208 | 185 | 149 | 194 |
| Flour (Index) | 154.3 | 158.3 | 157.9 | 158.8 |
| —From sea | | | | |
| E. Coast catch ($000) | 4,723 | 6,129 | 8,628 | 3,643 |
| W. Coast catch ($000) | 6,625 | 7,695 | 5,832 | 4,069 |
| —From forests | | | | |
| Newsprint (000 tons) | 500 | 522 | 526 | 473 |
| Pulp (000 tons) | 779 | 837 | 821 | 757 |
| —In powerhouses | | | | |
| Electricity (Index) (seasonally adjusted) | 267.9 | 268.3 | 261.8 | 235.2 |
| WHAT WE SELL— | | | | |
| Retail sales ($ millions) | 1,006 | 988 | 978 | 1,088 |
| Dept. store sales ($ millions) | 153 | 119 | 97 | 142 |
| Wholesale sales (value) (Index) | 385.3 | 388.8 | 401.8 | 361.7 |
| Mfrs. outstdg. orders (value) (Index) | 74.7 | 75.8 | 79.2 | 78.4 |
| Pass. car sales (units) | 16,269 | 15,946 | 23,180 | 21,236 |
| WHAT'S ON HAND— | | | | |
| Mfrs. inventories (value) (Index) | 98.1 | 98.3 | 98.7 | 103.2 |
| Dept. store stock sales ratio | 2.5 | 2.7 | 3.0 | 2.4 |
| SPENDING, SAVING POWER— | | | | |
| Labor income ($ millions) | 1,036 | 1,030 | 1,014 | 1,012 |
| Dividend payments (Index) (annual rate) | 255.5 | 254.6 | 252.8 | 243.1 |
| JOBS— | | | | |
| Employment (Index) | 112.6 | 113.0 | 113.3 | 114.1 |
| Mfg. employment (Index) | 105.5 | 106.3 | 108.3 | 110.9 |
| CONSTRUCTION— | | | | |
| Contract awards ($ millions) | 197 | 214 | 131 | 128 |
| FOREIGN TRADE— | | | | |
| Exports ($ millions) | 395 | 362 | 369 | 361 |
| Imports ($ millions) | 337 | 373 | 332 | 338 |
| MONEY— | | | | |
| *Money supply ($ millions) | 5,435 | 5,300 | 5,386 | 5,134 |
| Cheques cashed ($ millions) | 14,242 | 13,626 | 13,891 | 12,903 |
| Notice deposits ($ millions) | 5,615 | 5,532 | 5,637 | 5,034 |
| Current public loans ($ millions) | 3,788 | 3,823 | 3,739 | 3,790 |
| Life insurance sales ($ millions) | 207 | 191 | 197 | 225 |
| PRICES— | | | | |
| Consumer price (Index) | 116.4 | 116.8 | 116.9 | 115.7 |

Index bases: production wholesale sales 1935-39=100; employment, payrolls, 1949=100; consumer price index, 1949=100; manufacturers' inventories, outstanding orders, Dec., 1952=100.

| STRATEGIC MATERIALS—Production and Supply— | Latest Month | Month yr ago | Yr. to date | % chge. yr. to date |
|---|---|---|---|---|
| Steel ingots and castings (000 tons) | 275 | 305 | 3,194 | —21 |
| Primary copper (000 tons) | 26.2 | 17.3 | 275 | +17 |
| Nickel (000 tons) | 13.2 | 12.8 | 144 | +9 |
| *Cement (000 bbls.) | 1,635 | 1,785 | 22,564 | —17 |
| Lumber (millions fbm) | 541 | 487 | 5,944 | —4 |
| Lumber exports (millions fbm) | 364 | 315 | 3,307 | +16 |

*New items this week.

Date of issue for your file, The Financial Post, February 19, 1955.

# Company Report

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

## Mining

**KIRKLAND LAKE GOLD MINING** reports a loss of $15,027 for 1954 which was increased by $14,017 written off for outside exploration. A profit of $78,021 was shown in the previous year.

President V. H. Emery points out this year's report "is not a very optimistic one."

While cost per ton of ore milled was lower, cost per ounce of gold was higher reflecting treatment of a lower average grade of ore.

Not only was gold content of ore less, but the price received for gold was lower than in the previous year.

During 1954, 44% more drifting was completed than in the previous year. Only 26% of drifting could be classified as in ore under existing circumstances but all material opened carried sufficient gold to make it profitable to send to the mill. This also contributed to the lowering of grade.

There was a decline of almost 90,000 tons in ore reserves to a total of 224,953 tons averaging $15.10 per ton at $35 an ounce for gold.

| INCOME ACCOUNT Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Production | $1,351,081 | $1,469,067 |
| Add: Cost-Aid assist. | 232,104 | 226,824 |
| Less: Oper. exps. | 1,536,737 | 1,349,988 |
| Oper. profit | 46,448 | 174,903 |
| Add: Other inc. | 6,861 | 9,943 |
| Less: Deprec. | 63,779 | 74,289 |
| Taxes | 4,497 | 8,241 |
| Outside explor. | 14,013 | 26,314 |
| Net profit | 229,945 | 78,021 |
| Less: Divds. | ..... | 53,267 |
| Surplus for year | 229,945 | 24,754 |
| (Loss or deficit. | | |
| Earnings per Share and Dividend Record: | | |
| Earned | $0.005 | $0.015 |
| Paid | nil | 0.01 |

| CONDENSED BALANCE SHEET As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash & bullion | $469,039 | $474,286 |
| Cost-Aid assist. | 131,756 | 89,630 |
| Mine stores | 171,843 | 191,840 |
| Total curr. assets | 772,638 | 785,156 |
| Devel. acc. less w/o | 365,772 | 440,883 |
| Def. chgs., etc. | 4,327 | 3,564 |
| Deposit re power contract | 20,000 | 20,000 |
| Other cos. shs. | 18,191 | 13,191 |
| Mng. cls. & prop. | 4,221,906 | 4,221,906 |
| Plant & equip.* | 387,309 | 426,812 |
| Total assets | 5,790,901 | 5,862,130 |
| Total curr. liabs. | 89,187 | 103,131 |
| Capital stock | 5,326,699 | 5,326,699 |
| Earned surplus | 375,015 | 432,220 |
| *After depr. of | 1,651,081 | 1,587,541 |
| *At cost less reserve. | | |
| Working capital | 683,451 | 682,025 |

| OPERATING STATISTICS | 1954 | 1953 |
|---|---|---|
| Tons milled | 117,137 | 112,616 |
| Aver. recovery | $11.53 | $13.22 |
| Ore reserves, tons | 224,953 | 310,444 |
| Grade ($35 gold) | $15.10 | $18.19 |

...MOST RIDERS IN THE SKY

As colorful and adventuresome as any of the legendary exploits of the "riders in the sky" of song and story, are the real-life accomplishments of the men and machines of Okanagan Helicopters Ltd., the largest company of its kind on the continent.

These modern riders in the sky are playing a key role in helping construction, mining, oil and other major industries blaze new development trails throughout some of the world's richest, but most rugged country.

With the finest helicopter equipment, operational methods and ground and air personnel in the business, Okanagan Helicopters Ltd. is breaking down barriers of time, distance, terrain and weather on such spectacular projects as the Aluminum Company of Canada's plant and power development in the mountain-studded Kitimat-Kemano region of British Columbia. Some of the work done would be impossible, much of it prohibitive owing to the excessive cost of lesser methods, without the ingenious freighting, transportation and survey services provided by Okanagan Helicopters Ltd.

Helicopter magic also is assisting industry and government in mining, oil, fisheries, forestry, agricultural and power development and pipeline construction.

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OTTAWA QUEBEC SHERBROOKE TORONTO

Both fires started small, as most fires do in factories, warehouses, department stores, hotels, and hospitals. Yet the fire pictured at the top was front-page news: shoe factory gutted by flames . . . building totally destroyed . . . a loss estimated at $500,000 . . .

While at the other shoe plant, employees returned to work without even knowing there had been an early morning fire. A Grinnell Sprinkler System in this shoe factory put out the blaze before it could spread.

Grinnell Sprinklers stop fire at its source, wherever and whenever it strikes, night or day, with automatic certainty. 77 years experience proves this. And now, with the new Grinnell Automatic *Spray* Sprinklers, you get even greater protection against fire. *Less water puts out more fire.*

When you consider the many losses you can suffer in a fire . . . buildings, equipment, records, customers, time, skilled personnel, human lives . . . the cost of a Grinnell Sprinkler System is a small price to pay for around-the-clock fire protection. If you have fire insurance, you're probably paying for Grinnell Protection anyway in higher insurance premiums . . . so *why not have it?* Send for the Grinnell Automatic Spray Sprinkler Booklet. Grinnell Company of Canada, Limited — Edmonton, Montreal, Toronto, Vancouver.

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FP-52

# What's New

**New Products, Applications and Ideas Gathered from World-Wide Sources or Made in Canada for the First Time**

### *Portable Piano*

Come on over, and bring your piano! New electronic piano can be carried by one man, since it weighs only 72 pounds. Comes with a carrying case, built-in volume control, and special earphones that make it possible to practice without disturbing the household.

• • •

### *Nippy, Not Moldy*

Some cheeses aren't meant to "crawl." For this reason, a Netherlands firm has developed four chemical preparations for improving the quality and the keeping ability of cheese. Some are designed for direct application to the cheese, others are for storage racks and warehouse floors. But all are said to prevent evaporation and the formation of mold on cheese.

• • •

### *Screwy Nail*

Remarkable new nail combines the advantages of standard nail and screw. It hammers like a nail, but acts like a screw. Grips better, reduces wood splitting, it's said, and costs less than a "straight nail."

• • •

### *Action For Traction*

Aids for slippery weather driving are traction clips. These clip onto tires and come off in 10 seconds with special tool provided. Designed for use in ice, snow and mud, they replace chains for occasional use. No jacking of car is necessary.

• • •

### *Color For Chores*

To satisfy the modern demands for color, and warmth in home decoration, colored automatic washers and dryers are now being manufactured. Available in pastel yellow, green and blue, and will cost the same as white units.

• • •

### *Tough Tube For Glue*

Resin glue is packaged in unbreakable ¾-ounce polythene tube. Cannot be spilled as in "old-fashioned" foil tubes, and can be stored indefinitely without deterioration, it's said.

• • •

### *Harmless Killer*

Handy home fire extinguisher kills gasoline, oil, grease fires, is safe on electric fires, is harmless to upholstery and furnishings, it's said. Only 9 in. high and 2⅝ in. in diameter, it holds a quart of extinguisher and is ideal for kitchen, den, garage, car, cottage. Operates by push button for an instant "start" or "stop."

***YOU ARE INVITED to publicize your new products in this column. Write, Editor, What's New, The Financial Post, 481 University Ave., Toronto 2, Canada.***

Pressuring can be done by any filling station air pump.

• • •

### *Snooker Shover*

Steel-shafted billiard cue is said to be perfectly balanced and designed especially to meet the shocks of vibration when a snooker or billiard ball is struck. Manufacturer also claims it will never warp, twist or split. Available in three weights (16, 16½ and 17 ounces), it is 4 ft. 10 in. Outside diameter is 1.165 in. at the butt, tapering to .425 in. at the tip. The anodized finish gives smooth-playing action and is completely free from the stickiness affecting wooden cues in humid conditions.

• • •

### *Blueprint Analyzer*

Useful when estimating from plans all classes of piece work is new scale. Gives the exact number of joists, studs, rafters, wall furring and floor strips, including extra piece at end. A ¼-in. scale on one side and an ⅛-in. scale on the other. Made of white plastic.

### *New Catalogues*

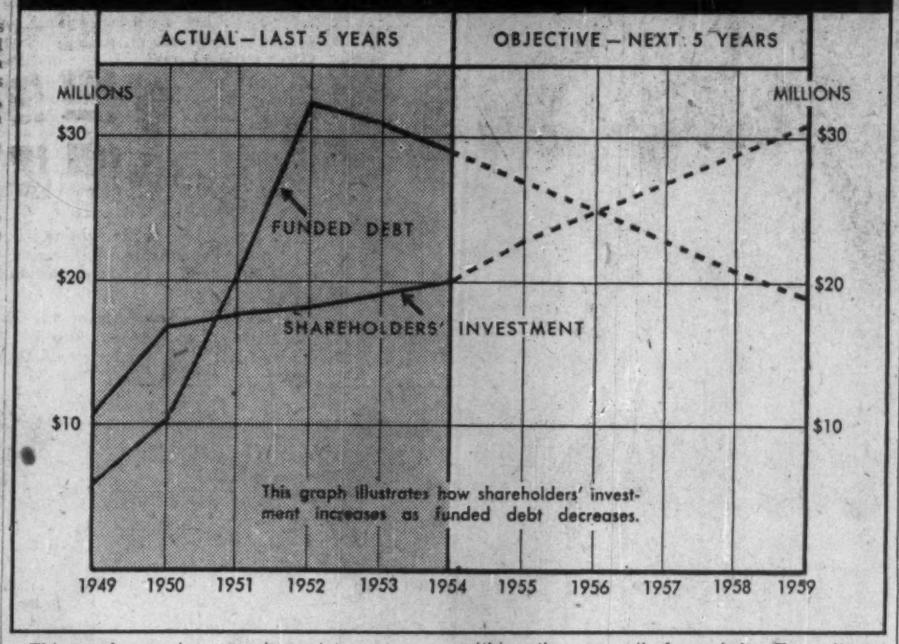
**Aluminum Star Products Ltd., Belleville, Otario.,** manufacturers of cast aluminum letters, plaques, trademarks, name plates, etc., has published a detailed metal letter service catalogue. Designed as a handbook for architects, sign companies, ornamental iron companies, etc., it contains information on stylings, prices, installation, maintenance and complete specifications on all types of letter.

• • •

**Canadian General Electric Co. Ltd., Toronto,** has recently issued a pamphlet entitled "Power Paces Our Prosperity," which shows a graph form Canada's power station output for the past 33 years. Also indicates the remarkable upward surge in power consumption since 1939.

## How the Value of Shares Grows

Canadian Oil Cos. Funded Debt, Shareholders' Investment

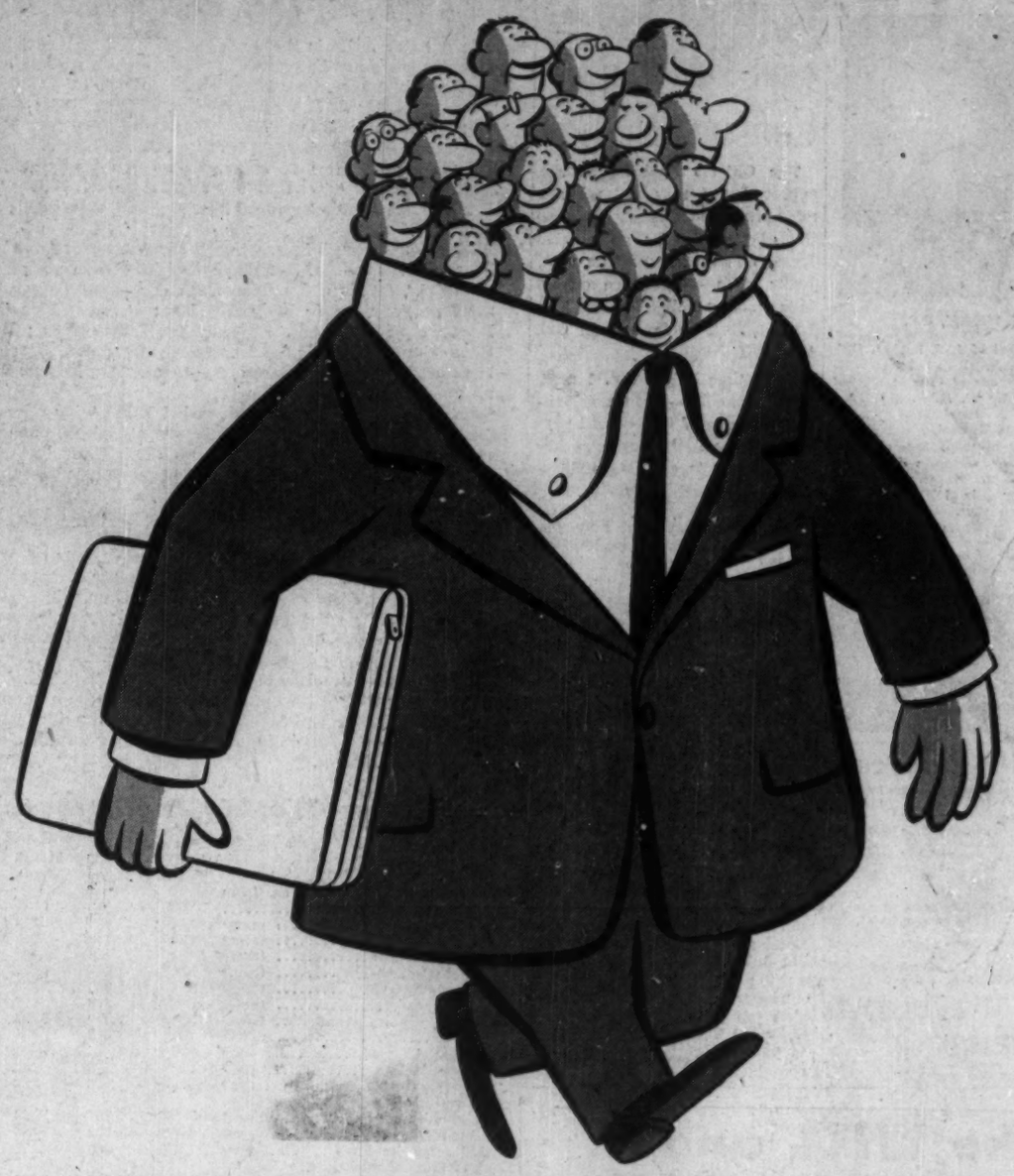



This week a unique earnings statement was mailed out to shareholders of Canadian Oil Cos. Estimating 1954 earnings per common share as running 30% above 1953, President Harold W. Rea charted the company's operating picture over the next five-year period. The chart shows a continued pattern of debt reduction while shareholders' investment rises steadily. About the end of this year shareholders' equity will overhaul and pass the declining funded debt position.

The chart—which also shows the past five years' operations—assumes retained earnings will continue at about the 1954 rate and that share warrants presently outstanding will be exercised within the prescribed period. Expenditures amounting to more than $40 millions were necessary to bring company manufacturing and marketing facilities to full productive levels. This program is said now paying off, enabling company to reduce debt out of earnings by approximately $2 millions per year.

Total 1954 sales volume of 272 million gallons was more than triple the 1945 figure—up $12 million over 1953. Company assets are 4.6 times those of 1945, now exceed $60 milions. Working capital, at $8.9 milions, is three times the amount of 10 years ago.

The audited annual statement will be ready next month.

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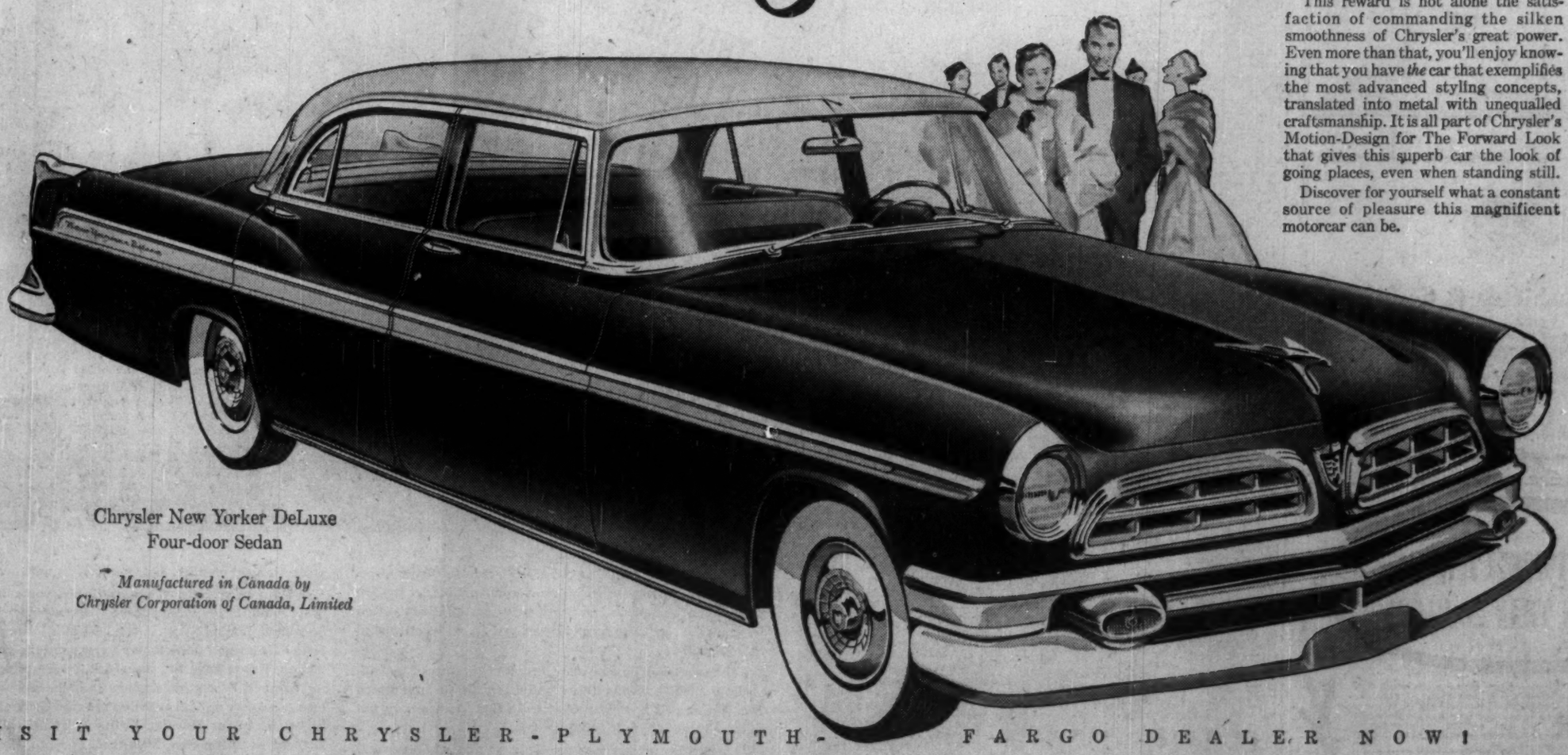
There's a fresh, crisp, modern beauty about the glamorous new Chrysler that's sheer delight to the eye.

Its long, low, luxurious silhouette is only a hint of Chrysler's riding superiority that is dramatically confirmed from the moment you relax in its unsurpassed comfort.

But, *you* know, there's a special pleasure reserved for you alone! The deep sense of personal pride and satisfaction that is yours who own a Chrysler is a rewarding experience in itself.

This reward is not alone the satisfaction of commanding the silken smoothness of Chrysler's great power. Even more than that, you'll enjoy knowing that you have *the* car that exemplifies the most advanced styling concepts, translated into metal with unequalled craftsmanship. It is all part of Chrysler's Motion-Design for The Forward Look that gives this superb car the look of going places, even when standing still.

Discover for yourself what a constant source of pleasure this magnificent motorcar can be.



Chrysler New Yorker DeLuxe
Four-door Sedan

*Manufactured in Canada by Chrysler Corporation of Canada, Limited*

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# The Financial Post

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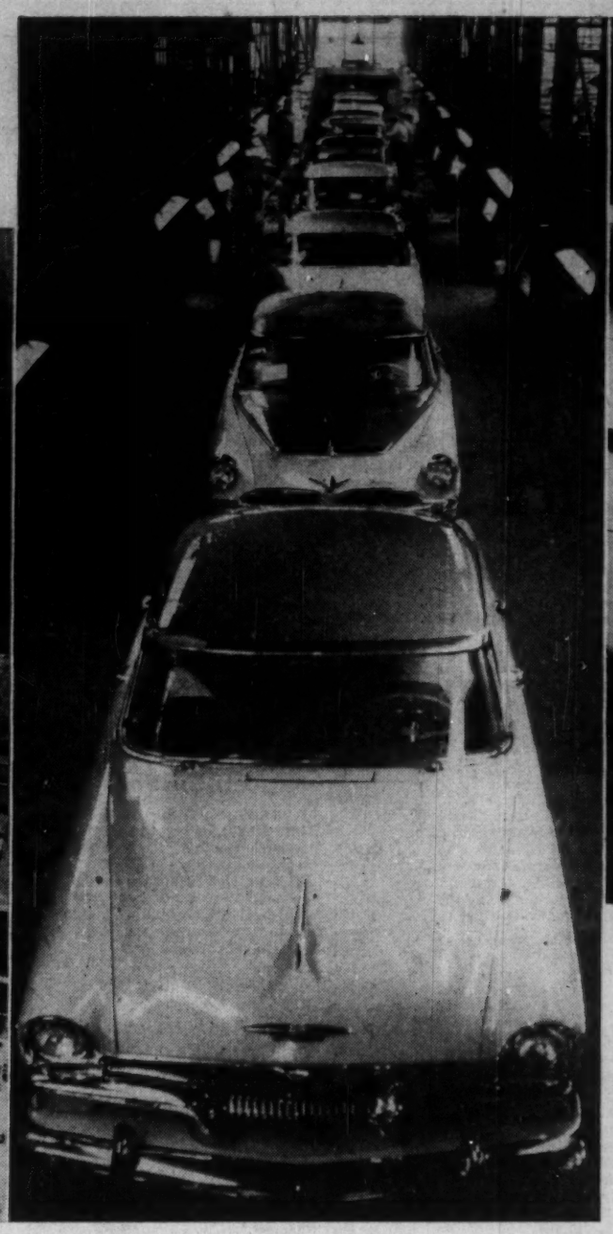

**PRESIDENT E. C. ROW has a vastly expanded Windsor plant, popular new automobile designs and the experienced labor force for a new attack on the market. These are keys to . . .**

# How Chrysler Armed For Sales Battle

## *Flexing $50 Million Muscles, Car Firm Plans Doubled Sales*

By JACK McARTHUR

There's a youthful driving spirit pulsing through the 30-year-old veins of the smallest of Canada's Big Three automakers.

Chrysler Corp. of Canada has a multi-million-dollar new lease on life.

It intends to use this heightened vigor to churn up a lot of dust in the headlong race for the autobuyers' favor. The fondest Chrysler ambition: To give nightmares to sales managers for other auto companies.

The Windsor-centred company is firmly certain—to the point of cockiness, some say—that this year it will do something it hasn't been able to do since 1948: Substantially increase its share of Canadian auto sales.

With a dedicated confidence not far removed from missionary zeal, Chrysler is planning to sell about twice as many cars this year as in 1954. It thinks it has the men, machines, organization and physical plant to do the job.

The company has made important new additions in each of these four categories. They add up to one of Canada's largest industrial growth programs.

The accumulation of the ingredients that go into the current production and sales effort has been a three-year job. This is the year of decision.

What happens in the 12 months ending Dec. 31, 1955, will print a clear signpost to Chrysler's future in Canada, will decide whether the costly buildup for the market assault was in vain; whether, in fact, it was a misguided gamble or a brilliant business coup.

This knowledge is the reason for the electric air of urgency which today envelops the big factory sprawling across the parallel streets of Walker Rd. and Chrysler Center in southeast Windsor.

It's mirrored in the swarming lunch-carrying throngs when shifts change (Chrysler has been operating two shift since mid-December). Never before have so many people drawn paychecks from Chrysler.

It appears in the utilitarian offices where policy decisions issue from conferences of carefully blended youth and experience.

It's obvious in the rambling new factory additions where the finishing touches to a two-year, $50-million expansion plan are being applied. Compare that $50 millions with the $12 millions the firm spent for expansion from the time the war ended until 1952.

Possibly most important, it appears in the attitude of 1,250 Canadian dealers for Chrysler products—they seem to possess a bouncing enthusiasm they haven't had in years.

All this is happening to a company which in the past has been privately accused of suffering from hardening of the arteries.

### What Chrysler Has Done

Led for the past four years by a big-voiced 59-year-old named Edgar Charles Row, here are the bare bones of what Chrysler has done:

—Doubled the size of its passenger-car plant at a cost of $20 millions.

—Done most of the work in a $21-million expansion of the nearby engine plant. It will be finished this fall.

—Increased the number of employees from between 6,000 and 6,500 to more than 9,000.

—Built three new parts depots in Moncton, N.B., Regina, Sask., and Red Deer, Alta., for a probable cost of around $1 million each.

—Played a part in one of North America's more extensive auto model changes. The 1955 Plymouths, Dodges, DeSotos and Chryslers are almost all-new. And it cost the parent company $250 millions over three years.

—Overhauled its dealer setup as thoroughly as it changed models.

—Made the bold decision to stick with truckers for many of their long-distance deliveries. This in spite of great inducement to sign a low agreed-charge contract with the railways.

—Decided to expand in Windsor at a time when the city was worried by talk that its auto companies were thinking seriously of decentralizing. Ford, in fact, built a new plant at Oakville, Ont.

In terms of finance and the future, every one of these decisions was vital.

None was lightly taken. Careful study, some by people especially hired for the task, preceded each. There was an over-all study made by a Toronto firm of the Canadian economy and the outlook for the auto business.

Chrysler executives—both the veterans who know the auto business from headlight to tail-pipe and the younger additions—worked long hard hours.

One told me: "I never worked so hard in all my life until I came here.

"But I enjoy it. You're doing something sure to show results."

He sounded as though he meant it.

### Why They Are Confident

All this is encouraging to Chrysler. But it doesn't fully explain why the company feels that in one of the industry's most competitive years it can take a much bigger slice of the sales cake.

I asked Row. He met the question head-on.

"Before the last war our production was highly acceptable. We supplied more than 30% of the passenger cars sold to Canadians.

"After the war we were limited by lack of production capacity. We lost a big part of the market. We supplied about 15% last year.

"But we know the demand is there if we turn out good cars—which we are doing—and do a good job of selling them.

"Chrysler is after 27% of the market this year, 30%—or more—thereafter. Chrysler belongs up there."

In other words, Chrysler lost sales by default after the war. The customers were there but Chrysler wasn't—not often enough, anyway. Now it has to fight to get back what it once had.

Row expects—on the basis of estimates both from independent researchers and company experts—that Canadians this year will buy close to 320,000 cars, compared with 309,000 in 1954 and 360,000 in record-breaking 1953.

If Chrysler is to sell 27% of these it must produce and sell about 87,000 cars.

If it's to hit the objective of 15% of an expected 85,000-90,000 truck sales (last year: 70,000) it must produce and sell 13,000 trucks. In recent years its percentage of truck purchases has been around 12%-13%.

Chrysler hasn't been cautious or reluctant in committing itself to the necessary stepped-up rate of production. More than 2,100 cars weekly are rolling off the production line.

An encouraging angle for Chrysler: This production represents only definite orders from dealers. No car coming off the 13,760-ft. production line (a 10,360-ft. body system and 3,400-ft. assembly line) has been produced merely in the hope someone will buy. It's a specific car ordered by a specific dealer.

The heavy orders from dealers are an indication that dealers are happy about the new cars.

All models are made on the same production line. There's no regular sequence of production. Forty different basic models appear indiscriminately on the line.

They may be in any one of 120 paint combinations, with one of a dozen engines and one of 48 different trim combinations. They may have tubeless tires or regular, power equipment or regular.

The apparent bewildering complexity leads to a lot of wisecracking about the day when Chrysler chassis comes off the production line with a Plymouth engine, an interior meant for a Dodge and a paint job intended for a DeSoto. There's been no complaint so far but it took a lot of careful scheduling to ensure smooth production-line operation, bringing parts and men together at the correct times.

A widespread teletype system is an essential in this carefully dovetailed process. Chrysler has one, depends upon it heavily.

### Dealers in the Battle

Can Chrysler really sell 27 of every 100 autos this year? No one knows, of course. Certainly Ford, General Motors and the smaller companies aren't backing away from the fight.

Ford is starting late, no doubt lost some sales during the recent crippling strike. But it will work that much harder and so will its dealers.

GM, with vast resources and a design which has won public acceptance, is no less formidable as a competitor.

The dealers, big and small, may be the people who write the final chapter in the story. No matter how good a car you produce in these days of hot selling competition you've got to have enthusiastic salesmen.

Chrysler dealers seem happy about the new models (The Post, Jan. 22). Chrysler's vice-president in charge of sales, A. J. (Al) Shaw says: "The dealers are more enthusiastic than they have been for years."

U. S. experience backs Shaw. U. S. Chrysler dealers are cogs in a parallel plan to increase business. Fairly intensive U. S. studies show Chrysler dealers are selling harder and advertising more than ever.

In Detroit, for instance, a big Plymouth dealer shook the auto world by putting a new Chevrolet and a new Ford in his showrooms. The idea: To let customers compare them with Plymouth, Chrysler's lower-price entry. "This will increase my sales," predicted the cocksure dealer.

Miami Plymouth dealers are working together to again make Plymouth the top seller in the plush Florida resort. The drive is supposed to be the biggest sales campaign ever launched in one city for a single make.

Chrysler of Canada felt good dealer reaction to new models wasn't enough. They reinforced it with a sweeping change in dealer organization, now virtually complete. Shaw says at least 80% of the dealers are much happier.

### Change in Dealer's Plan

Chrysler clung to the old distributorship arrangement after it had been discarded by its major competitors. A distributor would be named for, say, Manitoba. It would be his responsibility to create outlets, funnel orders to the factory, deal out new cars.

This took the problem of dealing with individual dealers out of the hands of the producer. But it also had disadvantages:

—When new autos were hard to get, a distributor might be tempted to keep the lion's share for his own customers, disappointing and angering many regular buyers. There was no guarantee of fair distribution.

—Since the distributor was responsible for all cars he ordered for his dealers, he was inclined to become ultra-conservative when selling toughened up a little. Thus, just when a supreme selling effort was called for, the distributor might pull in his horns. He didn't want to run the risk of being caught with a big surplus of unsold new cars.

—Chrysler had no reliable direct connection with dealers. Yet these were the men it depended upon to outsell its competitors.

Obviously this was no setup for a company wanting a quick boost in sales.

The company drew a deep breath and decided to change to a direct dealer plan.

Naturally, some of the distributors didn't like it. In many cases the defects were not in them but in the system.

As the result of scattered unhappiness over the change, Chrysler has lost a few dealers. But in earlier years it lost dealers who disliked the old distributorship system.

With this elimination of the middleman, Chrysler feels itself in a better competitive position. Too, it can—and does—use its direct line to the dealers to give them information on selling, financing, used cars, management, servicing.

### Transportation Costs

How to get cars to the dealers is a subject which today causes sharp and sometimes heated differences. The auto industry is split on the subject.

Hard-pressed in postwar years by competition from long-distance auto transport trucking firms, the Canadian National Railways and Canadian Pacific Railway are striking back with a formidable weapon: The agreed charge.

Aside from the argument over the principle of agreed charges, shippers are faced with a practical dilemma. Is it profitable for them to guarantee the railways a certain percentage of their freight in return for a cut in the freight rate?

In the auto industry both Ford and GM have concluded agreed-charge contracts with the railways covering shipments to Western Canada. For what it considers good reasons, Chrysler has not.

First, the truckers — under considerable duress—are matching the rail rates.

Second, Chrysler doesn't believe it wise to commit itself to ship a certain proportion of its cars to Western Canada for a certain period, thus limiting its freedom of choice.

Third, Chrysler suspects that in the long run truck transport may prove more economical and satisfactory to itself, its dealers and customers.

The result: All Chrysler cars going West go by truck. If they went by rail, they'd have to pay a higher rate than that charged to Ford and GM, who are paying agreed charges.

This doesn't mean Chrysler shuns rail traffic. Most cars shipped within the East go by train. In fact, the company has a big new inside loading building, so auto boxcars can be loaded without worry about cold weather or rain.

It also has a new auto transport haulaway building and entrance; and a small building devoted solely to retail driveaways. In common with the other auto companies, Chrysler sees an increasing tendency for owners to come and get their own cars, thus saving freight rate.

About 3% of Chrysler's production is now driven from the factory gates by new owners. The company expects this percentage to increase indefinitely.

The saving is substantial. Current auto freight rate from Windsor to Saskatoon is $152, for example.

### Plant Expansion in Windsor

Not only did Chrysler differ from Ford in its decision to oppose the agreed charge freight rate; it also varied from the Ford pattern by deciding against major plant expansion outside Windsor.

This made Chrysler highly popular with Windsor and didn't harm Row's position as one of Windsor's most important and popular citizens.

Virtually all Chrysler factory site property is within Windsor city limits. The company pays a property tax of $350,000 annually.

Most of the estimated $30 millions in wages the company will pay this year will be spent in Windsor. That $30-million figure compares with a previous high of $23.8 millions in 1953, when Chrysler employed an average of 6,185 people. In 1947, Chrysler paid $11.2 millions to an average of 4,600 workers; and in 1954 about $23 millions to 6,009.

This means that Ford and Chrysler are Windsor's top two industrial citizens. The city across the river from Detroit cherishes them both, languishes when they are tied up by long strikes. Chrysler had one in 1946 which lasted 122 days, 13 days longer than the 1954-55 Ford walkout.

Any lengthy strike this year would wreck the company's ambitious plans. But as The Post went to press, it appeared Chrysler and the CIO-CCL United Auto Workers were moving closer to agreement on a new contract.

Here's why Chrysler chose to expand in Windsor, following an investigation a few years ago:

It's accessible to largest markets and to major U. S. suppliers; Chrysler had plenty of room for expansion; facilities the company owned could be enlarged for a two-shift operation, with such expansion requiring less capital than it would elsewhere; there's housing and manpower available for growth.

Chrysler proved manpower was available by recently boosting its staff by 2,500 in 30 days.

Of course the job was made easier by the fact that the city had a substantial number of unemployed. Some of these were particularly suited to auto factory work. Chrysler made every effort to hire these. It also netted a few striking Ford employees. But most new employees are workers who can stay indefinitely. Chrysler hopes they will, hopes and believes it will be in a position to retain them.

The new employees required a huge staff training program. The company decided to use on-the-job training techniques in small informal groups allowing full discussion. One of the biggest tasks was finding and testing 150 new supervisors.

### Executive Changes Made

New executives were needed, too. They were necessary to staff the expansion, to back up the Chrysler veterans.

That's why newspapers since 1952 have been getting a steady stream of press releases announcing new appointments. The Chrysler team was being reshuffled, new jobs were being created, new executives added.

The last four major changes were this year:

On Jan. 3, 29-year-old C. Allan Foran, an RCAF veteran originally from Winnipeg, became secretary of the corporation. He had joined Chrysler in September, 1953, as legal counsel, became assistant secretary seven months later.

On Jan. 5, Jarmin C. Craig, who had been director of planning since April, 1953, became Row's executive assistant. The job is a new one, resulting directly from the expansion program. Craig started with Chrysler as a timekeeper in 1927.

On Jan. 7, Bertrand I. Booth took over as director of planning. He's from Port Lambton, Ont., went to school in Windsor.

On Feb. 3, C.O. (Syd) Hurly, 40, got the new job of director of sales. The job reflects an expansion in the firm's sales activities aimed at strengthening the dealer organization. Hurly is a Torontonian.

These are only random examples of the big change that's been taking place.

The change most obvious to newspapermen was the formation of a separate public relations department in 1954. Newsmen often had complained about inability to get information quickly from Chrysler.

Row brought in Tom McCall, former newsman, RCAF public relations man and Ontario deputy minister of travel and publicity, to head the department.

With him came Hamiltonian Ralph Young, who had been editor of publications for Steel Co. of Canada. Young was to edit the "Chrysler World," the firm's house organ. It started publication in mid-1954.

With these two appointments, Chrysler's public relations standing with the public and its employees hopped a notch.

Chrysler of Canada is a wholly owned subsidiary of Chrysler of U.S. Chrysler shares are listed on the Toronto Stock Exchange. (They stood at $68 Feb. 14, with a 1954-55 range of $55½ to $71½.

It's self-operated, having as directors seven men who are executives of the Canadian company. Operations are within the limits of the broad policy of the U. S. parent.

The directors: Row, Shaw, Vice-President and Operating Manager Kenneth Crittenden, Treasurer Frank J. Hogan, Purchasing Director Russel J. Jones, President's Staff Executive John H. Hickey and John C. McGuire, general sales manager for the Chrysler-Plymouth-Fargo divisions.

Five of the seven are natives of the U. S., reflecting the early-century import of ideas and men from that country. Jones and Hogan were born in Windsor.

Row was born in Ohio, joined the planning department at Dodge Bros. in Detroit in 1916. He came to Canada in 1942 as assistant to the president. But a year later he was back in the U. S. at Anniston, Ala., to run a 6,200-man ordnance depot. He returned to Windsor in 1945.

In 1946 he was elected vice-president and general manager. When he became president in 1951 he continued as general manager.

He's a big silver-haired man with an aggressive engaging personality who likes to entertain visitors personally. When Chrysler unveiled its 55s to newspapermen and the public last November, Row was in the thick of things, discussing color schemes, explaining production intricacies, gazing proudly at his new cars.

And when the talk and entertaining was over, who turned up at the airport to see newsmen got away in good order? Chrysler's president and general manager, still with plenty of compelling things to say about why this company should have its biggest year ever.

### As Chrysler Saw It

- Canada's population: 17 millions by 1961, 19 millions in 1971.
- The working force: A jump from 5.3 millions in 1951 to 6 millions in 1961, 7 millions in 1971.
- Consumer spending: From $11,000 millions in 1951 to $15,000 millions in 1961, $22,000 millions in 1971.
- Production: In constant dollars, up 30% by 1961 and a further 40% by 1971.
- Households: 3.5 millions in 1951 to 4.3 millions in 1961, more than 5 millions in 1971.
- Passenger cars: 2.5 millions in use in 1951, 3.25 millions by 1961, more than 4 millions in 1971. A car for every 4.3 Canadians in 1971. Now: One for every 5.7

From the survey made for Chrysler by Canadian Economic Research Associates.

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# Defense Contracts

Contracts for $10,000 or more awarded to Canadian firms by the Department of Defense Production and Defense Construction (1951) Ltd. for the first half of January totaled $9,162,923, including $1,778,459 by Defense Construction. Here is the list, excluding contracts classified for security reasons and amendments to contracts:

| Contractor | Commodity | Value |
|---|---|---|
| Annapolis Dairy, Annapolis Royal; | dairy products | $ 10,238 |
| Aviation Electric Ltd., Montreal; | aircraft instruments | 47,139 |
| Aviation Electric Ltd., Montreal; | aircraft accessories | 17,905 |
| Aviation Electric Ltd., Montreal; | airframe spares | 61,968 |
| Aviation Electric Ltd., Montreal; | aircraft instruments | 47,139 |
| Bata Shoe Co., Batawa; | footwear | 106,869 |
| Bates & Innes Ltd., Carleton Place; | blankets | 24,470 |
| Bausch & Lomb Optical Co., Toronto; | anti-glare goggles | 21,564 |
| Beaconing Optical & Precision Materials Co., Montreal; | mill machine, attachments | 11,209 |
| Brantford Coach & Body Ltd., Brantford; | semi-trailers | 83,917 |
| Bristol Aero Engines Ltd., Montreal; | aircraft engine spares | 200,000 |
| Canada Packers Ltd., St. Boniface; | meat | 12,857 |
| Canada Packers Ltd., Toronto; | canned goods | 10,916 |
| Canada Packers Ltd., Vancouver; | meat | 10,696 |
| Canada Ropes Ltd., Vancouver; | target tow nylon rope | 15,978 |
| Canadair Ltd., Montreal; | aircraft armament equip. | 26,281 |
| Canadair Ltd., Montreal; | aircraft ground handlg. equip. | 118,602 |
| Canadair Ltd., Montreal; | airframe spares | 1,274,179 |
| Canadian Arsenals Ltd., Ottawa; | ammun. components | 66,328 |
| Canadian Arsenals Ltd., Ottawa; | ammunition | 48,000 |
| Canadian Bakeries Ltd., Victoria; | bread | 10,062 |
| Canadian Car & Foundry Co., Montreal; | airframe spares | 515,661 |
| Canadian Converters Co., Montreal; | clothing | 44,415 |
| Cndn. Flight Equipment Ltd., Cobourg; | ammunition | 18,038 |
| Cndn. General Electric Co., Toronto; | aircraft instruments | 12,758 |
| Cndn. General Electric Co., Ottawa; | dynamometers | 16,159 |
| Cndn. General Electric Co., Cobourg; | ammun. shippg. containers | 129,835 |
| Canadian Import Company, Quebec; | coal | 13,070 |
| Canadian Line Materials Ltd., Ottawa; | teletype control, monitor switchboards | 42,239 |
| Canadian Liquid Air Co., Montreal; | oxygen gas | 12,451 |
| Canadian Marconi Co., Montreal; | frequency meters | 18,020 |
| Cndn. Westinghouse Co., Ottawa; | welding outfits | 38,297 |
| Chisholm Industries Ltd., Vancouver; | electronic testg. facilities | 31,900 |
| Computing Devices of Canada Ltd., Ottawa; | development of a navigational aid | 35,000 |
| Continental Engrg. Co. (Canada), Montreal; | warehousing equip. | 10,332 |
| J. H. Corbeil, St.-Lin, Que., | bus bodies | 28,490 |
| Cornwallis Dairy Ltd., Kentville, N.S.; | dairy products | 16,170 |
| Cowansville Potteries, Inc., Cowansville; | dinnerware | 17,759 |
| Dominion Dress Co., Brantford; | chevrons | 15,293 |
| Dominion Rubber Co., Montreal; | fire fightg. equip. | 20,653 |
| Dominion Rubber Co., Montreal; | footwear | 13,744 |
| T. Eaton Co., Toronto; | clothing | 22,793 |
| Electrolier Mfg. Co., Montreal; | ships' electrical equip. | 34,810 |
| Electronic Materials International Ltd., Ottawa; | electrical cable | 20,560 |
| Electronic Associates Ltd., Willowdale; | electronic instruments | 15,478 |
| S. H. Ewing Ltd., Montreal; | coffee | 70,520 |
| Fashion Glove Inc., Quebec; | clothing | 18,975 |
| Louis Fischl Glove Co, Ltd., Prescott; | clothing | 14,602 |
| Garrett Mfg. Corp., Toronto; | aircraft spares | 14,740 |
| Gas Accumulator Co., Toronto; | aerodrome lightg. equip. | 17,834 |
| General Motors Products, Oshawa; | cars | 40,688 |
| General Motors Products, Oshawa; | automotive engine spares | 12,000 |
| Greer Hydraulics, Montreal; | reconditioning test stands | 19,000 |
| Guardian Mfg. Ltd., Brockville; | fire fighting equipment | 57,767 |
| Hampton Mfg. Co., Montreal; | clothing | 31,702 |
| Hayes Mfg. Co., Vancouver; | truck tractor spares | 23,194 |
| E. Hoffman Machinery Supply, Toronto; | dynamic balancing machine | 17,480 |
| J. A. Humphrey & Son Ltd., Moncton; | cloth | 10,160 |
| Imperial Oil Ltd., Ottawa; | aviation turbine fuel | 20,100 |
| Imperial Oil Ltd., Ottawa; | fuel oil June 1/54 - May 31/55 | 55,300 |
| Imperial Spring & Mattress Mfg. Co., Toronto; | mattresses | 24,856 |
| Joy Manufacturing Co. (Canada) Ltd., Galt; | aerodrome lightg. equipment | 21,949 |
| Kaufman Rubber Co., Kitchener; | footwear | 62,452 |
| Kondu Mfg. Co., Preston; | ships' electrical equip. | 44,479 |
| Kondu Mfg. Co., Preston; | ships' electrical fixtures | 98,528 |
| H. Krug Furniture Co., Kitchener; | office furniture | 10,470 |
| Lachute Lumber & Millwork Ltd., Lachute Mills; | folding tables | 31,960 |
| La Laiterie Granger Freres Ltd., St. Johns; | dairy products | 16,524 |
| Laporte Cartage Co., Ville St. Laurent; | snow removal | 10,000 |
| Laurentian Metal Products Co., Hull; | ships' electrical equip. | 20,192 |
| Leonard Electric Ltd., Toronto; | electrical equip. | 10,536 |
| Lunenburg Foundry & Engrg. Ltd., Lunenburg; | repair, refitting ship | 155,000 |
| McColl-Frontenac Oil Co., Montreal; | fuel oil | 15,183 |
| Miller & Gabbe Ltd., Montreal; | clothing | 157,072 |
| Mine Safety Appliances Co., Toronto; | protective clothing | 38,324 |
| Nicholson File Co., Port Hope; | hand tools | 10,748 |
| North Sydney Marine Railway Co., North Sydney; | repair, refitting ship | 14,800 |
| North West Sportswear Co., Toronto; | clothing | 239,453 |
| Northern Electric Co., Ottawa; | generator sets | 12,260 |
| Northern Electric Co., Ottawa; | teletype equip. | 36,814 |
| Northwestern Creamery Ltd., Victoria; | dairy products | 60,258 |
| Otis Elevator Co., Hamilton; | gun spares | 30,000 |
| Patlon Aircraft, Toronto; | aircraft instruments | 23,114 |
| Penmans Ltd., Montreal; | clothing | 14,227 |
| C. H. Petch & Sons Ltd., Ottawa; | protective clothing | 25,544 |
| Pioneer Parachute Co., Smiths Falls; | parachute spare parts | 15,263 |
| Pomco Canvas Ltd., Ottawa; | camouflage clothing | 11,658 |
| Portage Creamery Ltd., Portage La Prairie; | dairy products | 11,800 |
| Purdy Brothers Ltd., Halifax; | repair of ship | 18,500 |
| A. V. Roe Canada Ltd., Toronto; | airframe spares | 181,323 |
| Roscoe Metal & Roofing, Ottawa; | warehousing equipment | 29,397 |
| Ross-Smith Co., Montreal; | kit bags | 137,940 |
| Russel Hipwell Engines Ltd., Owen Sound; | pare parts for inner patrol vessels | 133,320 |
| St. Maurice Canot Enrg., Shawinigan Falls; | cars | 19,220 |
| Score Sporting Goods Mfg. Co., Toronto; | clothing | 16,992 |
| Service Hat & Cap Co., Toronto; | clothing | 12,700 |
| Shell Oil Co., Toronto; | ethylene glycol | 42,964 |
| Spartan Air Services Ltd., Ottawa; | mapping services | 650,000 |
| Sperry Gyroscope Co., Montreal; | electronic test equip. | 185,901 |
| Standard Aero Sales Ltd., St. James, Man.; | aircraft instruments | 37,330 |
| Standard Aero Sales Ltd., St. James, Man.; | airframe parts | 173,613 |
| Stark Electronic Instruments Ltd., Ajax; | oscilloscopes | 13,300 |
| Strathcona Garment Mfg. Co., Montreal; | clothing | 100,685 |
| Taylor Bros. Cutlery Co. Ltd., Hamilton; | clasp knives | 14,652 |
| T. M. C. Canada Ltd., Ottawa; | beacon transmitter change-over assembly | 14,610 |
| Traders Mfg. Co., Montreal; | clothing | 238,712 |
| Underwear Mills, Montreal; | clothing | 84,979 |
| Jos. Vaillancourt Inc., Quebec; | bread | 11,065 |
| Walter Motor Trucks, Ottawa; | dump truck with snow plow, leveling wing | 21,303 |
| Williams & Wilson Ltd., Montreal; | engine lathe and attach'ts. | 17,428 |
| Williamson Co., Toronto; | photographic equipment | 24,970 |
| J. A. Wilson Lighting & Display Ltd., Toronto; | ships' elec. equip. | 165,424 |
| W. C. Wood Co., Guelph; | ammun. components | 56,740 |
| Yarmouth Ice Cream & Dairy Co., Yarmouth; | dairy products | 10,238 |

**Contracts awarded by Defense Construction (1951) Ltd. January 1-15, 1955**

| | | |
|---|---|---|
| Atlas Constr. Co., Westmount; | clearing, burning | $ 117,837 |
| A. N. Bail Co., Montreal; | barracks blocks | 825,900 |
| Bedford Constr. Co., Toronto; | strengthening trusses in drill hall | 16,150 |
| J. Boshard & Sons, Vancouver; | interior painting of hangars | 37,989 |
| Byers Constr. Co., Montreal; | clearing, grubbing, burning | 163,150 |
| A. Deslauriers & Fils, Quebec; | exten. boiler house bldg. | 82,000 |
| Louis Donolo, Montreal; | reinforced concrete stop butt | 22,900 |
| Duclos and Martel, Quebec; | clearing, burning | 116,750 |
| Harris Constr. Co., Winnipeg; | garage, storage bldg. | 203,011 |
| Higgin-Duplex Ltd., Toronto; | fly screens | 17,130 |
| Hume & Rumble Ltd., Edmonton; | fire alarm and watch system | 16,430 |
| Modern Constr. Ltd., Moncton; | clearing, burning | 125,640 |
| Terminal Constr. Co., Ottawa; | grading, seeding, and sodding | 33,552 |

# 'Truce Talks' Have Begun, Electricians State Views

Three important developments have taken place in the dispute over bidding methods in mechanical and electrical subcontracting for buildings:

—The first "peace conference" on the Toronto bidding strike of mechanical and electrical subcontractors has taken place. Ontario general contractors, architects and the two subtrades met this Tuesday. Their specific topic was how best to put into practice the new code of good bidding principles the Canadian Construction Association has asked provincial and local industry groups to implement. The subcontractor groups (The Post, Feb. 5) called off their bidding strike at Toronto till March 1 to see what such talks could produce.

—The electrical subcontractors have stiffened the conciliatory note they struck toward general contractors a couple of weeks earlier — they have now instructed their delegates to the talks that they prefer having architects call their electrical bids separately from the general contract as a way of implementing the new CCA code. The Toronto electrical 'subs" asked the delegates to bring any other suggestion the Feb. 15 meeting may settle on for a vote of the general membership. About a week earlier when the electrical and plumbing subcontractors in a joint official statement said they were only interested in assuring the sanctity of bids—and left the door wide open to other possible systems of securing it.

—The Association of Consulting Engineers of Canada's directors have voted approval of the electrical subcontractors' original action in asking the professions—architects and engineers—to call for electrical tenders separately from the general contract. This was the request which the Electrical Contractors Association of Ontario sent out at the time it announced the bidding strike—refusal from then on to bid to any general contractor.

The consultants' action became known when a letter to the ECA was read at a meeting. R. W. Gould, of Montreal, secretary of the consulting engineers, wrote that his directors unanimously approved and "applauded" the ECA's action. Gould described the electrical subcontractors action as being "in the best interest of the industry concerned and the professions affected."

## COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

### Financial

**CANADIAN GENERAL INVESTMENTS LTD.** net profit for 1954 was $1,009,078, 10.9% higher than net for the previous year of $909,501.

Earnings per share were slightly lower owing to an issue of rights to purchase additional shares of capital stock made in April last year. A profit of $874,571 was made on securities sold or redeemed. This was added to capital surplus distributable.

Total net assets had an apparent liquidation value of $28.4 millions ($39.37 per share compared with $32.61 per share in the previous year), says President M. C. G. Meighen.

**PROFIT AND LOSS ACCOUNT**

| Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Total income | $1,093,138 | $979,492 |
| Less: Expenses | 56,423 | 52,782 |
| Invest. res. (mines) | 24,537 | 16,709 |
| Inc tax res. | 3,100 | 500 |
| Net profit | 1,009,078 | 909,501 |
| Less: Dividends | 867,844 | 750,730 |
| Surplus for year | 50,215 | 47,283 |
| Earnings per Share and Dividend Record: | | |
| Earned | *$1.49 | $1.51 |
| Paid | 1.10+0.18 | 1.10+0.15 |

*Based on shares outstanding as calculated from dividends paid.

**BALANCE SHEET**

| As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash | $413,206 | $197,496 |
| Investments* | 21,637,767 | 17,752,195 |
| Securities sold | 114,038 | 44,027 |
| Accr. int. & divs. | 169,431 | 137,026 |
| Total assets | 22,334,442 | 18,130,744 |
| Accts., divds., etc., pay. | 337,379 | 182,684 |
| Invest. res. (mines) | 239,877 | 239,018 |
| Capital stock | 18,017,650 | 15,014,725 |
| Capital surplus | 1,549,485 | 668,000 |
| Surplus | 2,169,551 | 2,028,317 |
| *Market value | 28,014,142 | 19,389,458 |

ANNOUNCEMENT

Chartered Trust Director

JOHN R. BRADFIELD

Ralph R. Corsen, President of Chartered Trust Company, announces the election of Mr. John R. Bradfield to the Board of Directors. Mr. Bradfield is Vice-President of Noranda Mines Limited, Canada Wire & Cable Co. Limited and Waite Amulet Mines Limited. He is also a director of Noranda Copper & Brass Limited.


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## Study Lakeshore Hotel at Toronto

A Toronto realtor is seeking a change in zoning regulations to permit building of a 500-room hotel in the Toronto lakeshore suburb of Mimico. M. H. Lipton states that he represents American principals.

The hotel would cost several million dollars and include convention facilities.

Mimico council has not taken any action toward having the zoning changed from residential. Mayor W. A. Edwards of Mimico has expressed an unfavorable opinion on any zoning change.

This does not close the matter, and Lipton intends to make further efforts to secure the change.

Lipton earlier was dealing with the Milner hotel chain in the U. S. for erection of a downtown hotel. The Bank of Canada is now building an office building on a University Ave. site that was mentioned. Lipton was away from his business for a year or more because of ill health, and has said that otherwise a downtown hotel might have been built.

Toronto Mayor Nathan Phillips is negotiating with unnamed firms for possible erection of a downtown hotel, one of his election promises. One of the firms he is dealing with is stated to be the Milner chain.

The Lakeshore would not be entirely an innovation as a site for a hotel. The 120-room Seaway was completed last year, looking out over the lake. The Mimico hotel site is at the far west end of Mimico, and one of the objections to changing the zoning is that the location is now somewhat "aristocratic."


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FP-53.

New Plastic Bodies Make Possible Sports Cars for the Average Family

The drawing-board dream of a compact, sports-type family car . . . easy to handle in traffic, economical to buy, operate and maintain . . . may soon come true.

For polyester resin reinforced with glass fiber now permits the construction of *one piece* auto bodies, which greatly reduce sports car assembly costs. The light weight and great strength of such bodies also cut sports car operating and maintenance costs.

RCI, the world's leading producer of synthetic resins, furnishes polyester resins to many industries. RCI makes its polyester resins with full quality control, since it supplies itself with their basic raw materials, phthalic anhydride and maleic anhydride.

Reichhold also manufactures phenol, formaldehyde, glycerine, sodium sulfate and sodium sulfite.

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Uses of RCI Products

CANVAS, PAPER AND GLASS CLOTH LAMINATES: PLYOPHEN cresol, phenolic and resorcinol-formaldehyde resins and varnishes; RCI polyester resins.

CARBON PAPER: RCI inorganic chemical pigment colors.

CASTINGS: FOUNDREZ powdered phenolic resins (for the shell molding process); FOUNDREZ liquid phenolic resins and FOUNDREZ core oils (for core binders).

FURNITURE, PLYWOOD, FLOORING, HARDBOARD AND CHIPBOARD: HYDROPHEN phenolic glues; PLYACIEN protein glues; PLYAMINE urea-formaldehyde glues; PLYOPHEN phenolic and resorcinol-formaldehyde glues.

LEATHER: BECKOSOL alkyd resins (for leather finishes); PLYOPHEN resorcinol-formaldehyde resins, SUPER-BECKACITE pure phenolic resins, SYNTHE-COPAL ester gums (for leather adhesives).

LINOLEUM: BECKOSOL alkyd resins and PENTACITE pentaerythritol resins (for linoleum coatings); RCI inorganic chemical pigment colors.

PAINTS, VARNISHES AND LACQUERS: BECKACITE (1) fumaric, (2) maleic and (3) modified phenolic resins; BECKAMINE urea-formaldehyde resins; BECKOLIN synthetic oils; BECKOPOL modified phenolic resins; BECKOSOL (1) phenolated, (2) phthalic-free, (3) resin modified, (4) pure drying and (5) pure non-drying alkyd resins; KOPOL processed Congo copals; PENTACITE pentaerythritol resins; STYRESOL styrenated alkyd resins; SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums; WALLKYD pure drying alkyd resins (for alkyd flat wall vehicles); WALLPOL vinyl-type copolymer latex emulsions (for latex flat wall coatings); RCI inorganic chemical pigment colors.

PAPER: BECKAMINE urea-formaldehyde resins (for adding wet strength, improving the wet rub of starch-clay coatings, and waterproofing starch adhesives); RCI inorganic chemical pigment colors (for paper coloring); STYRESOL styrenated alkyd resins (for paper coating).

PRINTING INKS: BECKACITE fumaric, maleic and modified phenolic resins; BECKOLIN synthetic oils; BECKOPOL modified phenolic resins; RCI inorganic chemical pigment colors.

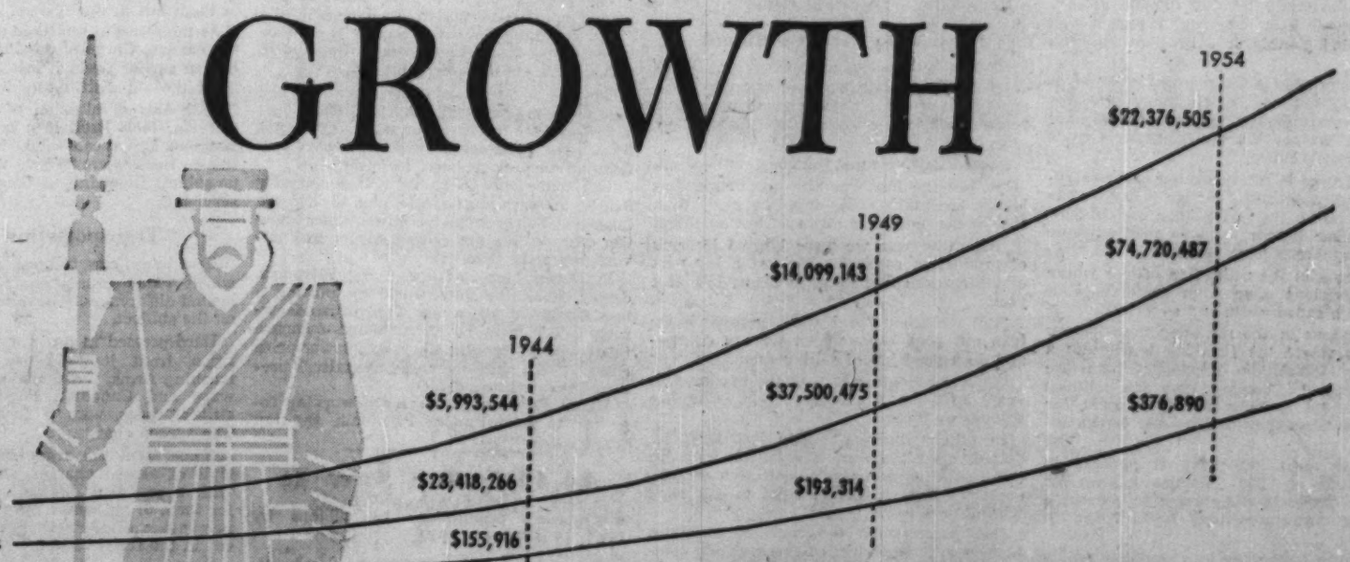
TYPEWRITER RIBBONS: RCI inorganic chemical pigment colors.

WAXES AND POLISHES: BECKACITE modified phenolic and maleic resins; SUPER-BECKACITE pure phenolic resins; SYNTHE-COPAL ester gums.

RCI



GROWTH




Twelve months ago today our annual report said: "We believe that in 1954 new progress will be achieved". This progress has been achieved, and Chartered Trust is now a $100,000,000.00 concern. We shall be pleased to send you a copy of our Annual Report on request.

CHARTERED TRUST COMPANY

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MONTREAL: 388 St. James St. West — HA. 5166

ANNOUNCEMENT

## J.W.T. APPOINTS RADIO-TV DIRECTOR

Born in Toronto, educated at St. Michael's College, Mr. J. Lingeman has been appointed Radio and Television director for the J. Walter Thompson Company Limited. Mr. Frank Flint remains manager of the Radio and Television department, Toronto office, and Miss Mariette Mineau of French Radio and Television, Montreal office.

After service with the Royal Canadian Navy, Mr. Lingeman was Television producer and director at WSYR, Syracuse, then in 1952, commercial producer at CBLT.

# How Small Plants Tackle Health and Safety

## *Kitchener Experiment May Be One Solution to Problem*

Special Correspondence

KITCHENER — Canada's first experiment in industrial health on a community-wide basis is paying off!

Federal and provincial governments, teamed with private industry, are proving that reduction in absenteeism, rise in morale and better use of labor can result from an industrial health program in medium-sized factories.

Over a year ago Dr. G. E. Duff Wilson, local medical officer of health, suggested a health service be set up on a trial basis in a dozen or so small plants here under the local department of health.

Though larger factories had accepted the need for an industrial health program, he felt small owners were yet to be convinced.

He applied for a federal grant to institute the service. The Ontario Government, toying with a similar plan, decided to use Kitchener as a demonstration area because of Dr. Wilson's interest, the large number of factories (52), and the wide diversification of industry. They gave a $58,000 grant for the project.

An industrial physician and nurse were to be provided for seven factories in the scheme. In return, management was expected to supply accommodation, drugs and equipment, an expenditure of about $1,000.

At the end of two years, it was hoped that management would be so convinced of the worth of the plan that they would keep medical help in the factory at their own expense.

### How Plan Was Set Up

The experiment began last May. The Provincial Government provided a medical director and staff of nurses.

The director was to assist in giving medical examinations to employees, supervise nurses and advise the personnel manager when an employee's physical health would make him better suited to a different job. In the case of illness he would refer the worker to his family doctor. Local practicing physicians were to do the pre-employment medical examinations.

Primarily the director was expected to see that the plant's environment was suitable to high standards of safety and low accident potential.

Nurses were to be given an hour and a half course of lectures each month in industrial health.

Dr. Sidney Walker, medical director, emphasized he and his staff are not trying to teach the use of aspirin and bandages.

"We are interested in preventive medicine. We want to show that proper heat, light, ventilation and sanitation can more than compensate for the original cost of a medical plan by preventing absenteeism caused by accidents and lowered morale."

Cluette Peabody & Co. of Canada, shirt manufacturers, are

DR. WALKER

participating in the experiment. They provided an example.

Employees were discarding scraps of material on to a waxed floor. Dr. Walker felt this was an accident hazard and asked that the floor be swept often.

The company co-operated. This created a job for a disabled man and increased plant safety.

H. I. McKegney, personnel manager said: "It is too soon to give statistics but I think there has been a reduction in absenteeism. Workers appreciate the service. This increases plant morale."

Victor G. Ursaki, general manager of Weston Bakeries Ltd., agreed. "Sanitation and cleanliness, essential in our business, have improved since the scheme was instituted.

"At first a large percentage of our employees, New Canadian, wouldn't use the service. I think this is because they weren't used to management providing free benefits. Now they visit the medical centre more often.

"One suggestion Dr. Walker made to improve lighting, we didn't institute. A low profit business, we felt the cost too high.

"We're convinced of the value of medical help. We expect to continue the service when the experiment ends."

McKegney agreed. "Personally I feel at the end of the two-year period the plan will have more than justified itself."

Charles Greb of Greb Shoe Co., said industries not participating in the plan have shown great interest in the result. "The success or failure of the work has a lot to do with the nurse. We're pleased with the one we have. We didn't keep statistics before the plan started but we're favorably impressed with the results we've seen."

Other companies participating with approximate number of employees are Dare Co. Ltd. (biscuits), 150; General Spring Products Ltd., 450; Savage Shoes Ltd., 150; Dow Kingsbeer Brewery Ltd., 150.

### Ideas for Management

Dr. Walker's suggestions to management have included guards for machinery, salt tablet dispensers and hints as to better use of disabled employees. Management will receive a complete report on the plant's hazards before the completion of the experiment.

"Expense is the main objection when suggestions are not adopted," Dr. Walker said. Management wants to co-operate but often cannot afford the cost.

In one case where he suggested guards around machines the argument was advanced: "We've never had an accident so why should we go to the expense?"

"They won't use a guard unless there's an accident to prove the machine dangerous. Probably the reason there have been no accidents yet is because the plant employs older workers who are less accident prone.

"Unemployment has increased," Dr. Walker said. "If the same wage is to be paid, production per manhour must be kept up to standard or increased. If the employee is to produce more, it is essential that industrial medicine be used to keep him in good health."

---

**KAWNEER CO.**, Niles, Mich., parent company of Kawneer Canada Ltd., Toronto, had net income in 1954 of $1,199,251 ($4.11 per share), 34.5% higher than net of previous year of $891,617 ($3.06). Net sales were $22.8 millions, 9% higher than 1953.


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ANNOUNCEMENT

## THREE NEW VICE-PRESIDENTS FOR HABITANT FOODS

GUY LIMOGES — PAUL F. LIMOGES — KENNETH J. FORBES

Paul Bienvenu, President, has announced the appointment of three new Vice-Presidents for Habitant Food Products Limited. Guy Limoges, who has been with the Company for 16 years and has been assistant purchaser, is now Vice-President in charge of all purchasing. Paul F. Limoges, P.Eng., for a number of years an industrial engineer for the Industrial Development Bank, and more recently Habitant's Production Manager at the La Prairie plant, will direct all production. And Kenneth J. Forbes, formerly Director of Sales and Advertising for Bovril (Canada) Ltd., will be in charge of Sales and Advertising.

The appointment of the new officers is part of the planned program of the Habitant organization to extend and develop production and sales.


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## *Growing Power Demand Speeds Bersimis Project*

MONTREAL (Staff)—Forecasts of power demand made by Quebec hydro-electric commission have resulted in a speed-up in the construction program of its new $225 million Bersimis River generating plant.

New schedule calls for completion of development and installation of the full 1.2 million hp. of capacity by 1959. That's two years ahead of the original 1961 target date. The first pair of generators will be installed by the end of 1956, followed by two more in each of the years 1957, 1958 and 1959. All units are 150,000 hp.

Prospects of a substantial increase in power demand in Quebec are behind the comission's speed-up. Addition of 300,000 hp. of new capacity in each of the years 1956-59 compares with an average annual growth for the province of 260,000 hp since the end of the war.

Shawinigan Water & Power Co. signed a contract for 400,000 hp. from Bersimis last year. But it did not expect to get the final 80,000 hp. under the deal until 1960. The speed-up will presumably mean that this 80,000 hp. will be available if needed one year ahead of time.

Currently, work on Bersimis is on schedule — the old schedule. The pace will be stepped up right away and the new target date is expected to be met.

This is not the first time Quebec Hydro has accelerated its expansion plan to meet sharp growth in power demands. It was estimated originally, for instance, that the last generator in the Beauharnois No. 2 plant would not be needed until 1958. It was installed in 1953.

## Que. May Ban Pinball Games

MONTREAL (Staff)—Legislation to ban pinball machines would hit an industry with an investment of more than $10 millions in the Province of Quebec.

A Quebec bill has been tabled in the Legislative Assembly. It would prohibit ownership or possession of automatic gaming machines operated by coins. It is an amendment to a 1946 law.

Richard Dore, manager of the Montreal Amusement Operators, said such legislation would affect 1,700 Montreal establishments and employment of 600 people in the city. About 900 others are employed in the business throughout the province.

Montreal, which has been sparking a drive to wipe out these machines, receives about $200,000 annually in taxes from their operation. Investment in various types of the games in the city amounts to about $3.5 millions while another $6.5 millions is invested in other centres.

Proposed legislation applies to all coin-operated machines except those which dispense services. Consequently, machines such as those which sell soft drinks or provide shoe shines would not be affected.

Penalty is confiscation.

### BOOKS FOR BUSINESSMEN

**How Can We Sell More Modern Furniture?, National Industrial Design Council, Ottawa; 40 pp., $1.**

The problems and future of Canadian design in furniture are outlined in this collection of talks by furniture manufacturers and retailers at NIDC's Furniture Discussion Conference.

For the businessman interested in design and its relationship to manufacturing and costs, this collection will offer general information and a wealth of ideas.

"I think any manufacturer will agree with me," said one furniture maker in the book. "He must produce something new because the dealer and . . . the public demand it. But we want to be forced to produce something new and good, something that will last over a period of years."


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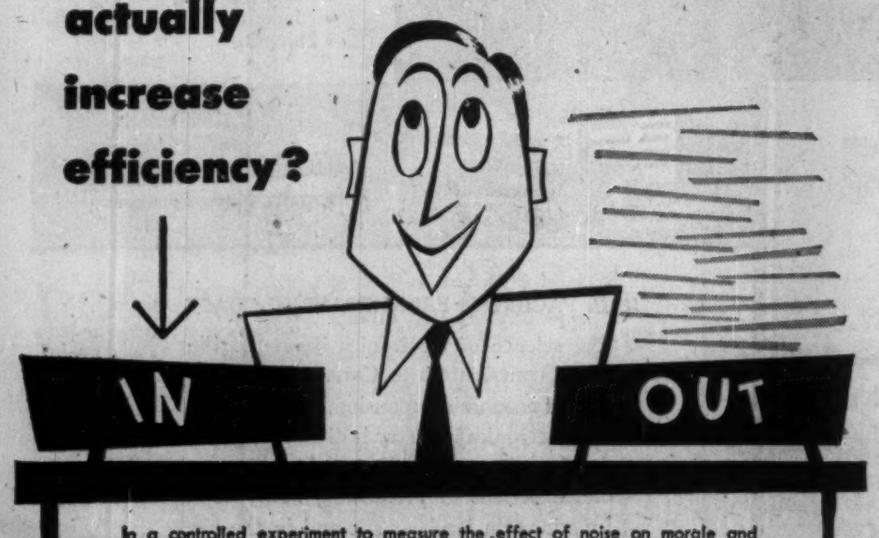


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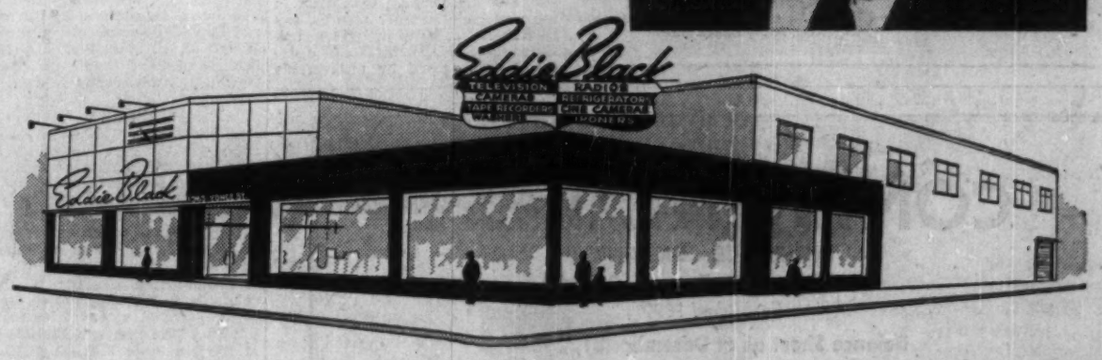


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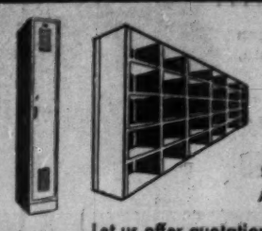

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Post Office figures show over 401,800 French-speaking households served by Rural Mail delivery in Canada. The great majority of homes on Rural Mail routes are farm homes. And French farm families are big.

Farmers in predominantly French Quebec took in over $408 million from sale of farm products last year . . . well above 1953. Add millions taken in by French farmers in adjacent areas of Ontario and N. B.; more millions in Family Allowance cheques for those big families; still more millions added to family revenue by the many who work in town but live at home; returns on off-farm investments . . .

It adds up to a lot of people, a lot of money, a lot of market. But remember! It's a French farm family market. To reach it effectively and economically, you need a French farm family medium.

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THE
CONTINENTAL LIFE
INSURANCE COMPANY
Head Office : Toronto, Canada
Established 1899

Balance Sheet as at December 31, 1954

ASSETS

| | |
|---|---|
| Bonds and debentures | $17,578,913 |
| Stocks, preferred and common | 2,237,395 |
| First mortgages on real estate | 7,363,951 |
| Real estate | 428,305 |
| Loans on policies | 1,829,543 |
| Cash on hand and in banks | 507,267 |
| Investment income due and accrued | 260,641 |
| Net outstanding premiums | 265,531 |
| Sundry | 3,988 |
| | $30,475,534 |

LIABILITIES

| | |
|---|---|
| Actuarial reserve for insurance and annuity contracts | $25,491,863 |
| Policy proceeds, dividends and other amounts on deposit with Company | 1,685,273 |
| Other obligations to policyholders and beneficiaries | 196,013 |
| Provision for dividends to policyholders | 386,991 |
| Staff insurance and pension funds | 313,296 |
| Government taxes accrued | 81,749 |
| Sundry liabilities | 132,734 |
| Shareholders' fund, including fully paid-up capital of $200,000 | 240,240 |
| Reserve for investments and general contingencies | 600,000 |
| General surplus (1953 $856,295) | 1,347,375 |
| | $30,475,534 |

GROWTH OF BUSINESS

| Year | Insurance in Force | Assets | Total Benefits paid since organization |
|---|---|---|---|
| 1934 | $ 35,688,268 | $ 8,033,681 | $ 9,659,260 |
| 1944 | 60,430,090 | 13,833,308 | 17,194,583 |
| 1954 | 140,824,175 | 30,475,534 | 28,697,082 |

AN ALL CANADIAN COMPANY


LABOR ROUNDUP

By JACK McARTHUR

# Unity: Likely But Not Quickly

## U.S. Merger Plan First Step Only, Not Culmination

Don't look for Labor to make a sudden dash toward organic unity either in the U. S. or Canada —certainly not in Canada.

There are hurdles a-plenty to be cleared before the major labor congresses are united once again. Predictions that complete unity may come this year seem over-optimistic.

The big publicity splash which followed approval of a detailed unity formula in the U. S. last week is giving way to a realization in Canadian Labor—and apparently in the U. S. movement, too—that a lot of work and study is still ahead.

While the U. S. agreement left complete merger some time in the future, it did one significant thing: Removed most of the doubt that unity eventually would become a reality.

It also underlined one of the facts of life for Canadian Labor: The TLC and CCL can't take important steps toward unity until they're taken by the AFL and CIO in the U. S. The reason is simply that the big International Unions couldn't plump for unity in Canada and oppose it in the U. S. And without the Internationals, unity would be an empty word for Canadian Labor.

The TLC and CCL now have texts and other material relating to the agreement in the U. S. The Unity Committee, composed of leaders of the two congresses, will meet March 2.

Discussion at this meeting will concern the difficulties still to be overcome. They revolve around constitutional matters, such as the formula for voting, a ban against raiding brother-unions, the merging of local and provincial labor organizations.

Another delicate question concerns organization techniques and rights. When there are two unions in, say, textiles, which should be allowed to organize in a given area? And should organization be on a craft or industrial basis?

Merger of the two competing unions would be one answer. This will be encouraged, but many unions won't wish to lose their identity.

Despite the problems, there's still a lot more unity optimism in the labor movement than there was a few weeks ago.

And employers are beginning to wonder what unity will mean to them. In the U. S., the National Association of Manufacturers said it considered labor merger as a "dangerous monopoly" which should be banned.

But in Canada and the U.S. there appeared a good chance that employers' desire to be rid of costly and needless jurisdictional strikes might override their fears that Labor was forging for itself too powerful a weapon.

* * *

### *Many Angles To This Union Deal*

Who's on first? What's on second? The old Abbott and Costello gag has nothing for sheer confusion on the affair of the Red-tinged Independent Fur and Leather Workers' Union.

The Union—expelled from the CCL and CIO in 1950-51 because of Red leanings—has been industriously at work trying to get itself amalgamated with the AFL-TLC Amalgamated Meat Cutters (The Post, Feb. 12). It seems to have succeeded. The joining of the two unions is scheduled for Feb. 22.

But this solves very little. No one seems to know the answers to these important questions:

—Was the Meat Cutters' Union outmanoeuvred? It may be that, at the price of a small loss in independence, the left-wing leaders of the FLWU have found no-raiding shelter under the wing of an AFL union.

—Was the FLWU outmanoeuvred? Among the conditions of merger was the banning of former FLWU boss Ben Gold from office and the signing of Taft-Hartley provisions. Both these hurt the cause of the left wingers.

—What's going to happen in Canada? Merger, possibly, but the TLC can hardly approve.

—Most important of all and this may eventually upset the merger applecart: Will the AFL bless the union? And if it doesn't, what can it do about it?

Probably the most significant bit of evidence bearing on these questions is that Communist publications are giving decided though qualified approval to the move. If the Communists like it, the AFL and TLC may decide they don't.

The Meat Cutters' Union has 265,000 members, only about 1,100 in Canada; FLWU has 70,000 members— although many seem to be deserting to the CIO— some 6,000 in Canada.

* * *

### *UAW Gives, Takes A Little On GAW*

The CIO United Auto Workers has won its first contract battle over the guaranteed annual wage.

But the victory was only partial. UAW bargainers for 40 employees of a small machine shop at Fenton, Mich., had to give up on the demand for 52 pay checks in the year for employees with sufficient seniority.

They won acceptance of the other major feature of the UAW guaranteed wage package. Henceforth the machine shop will guarantee 40 hours' pay in any one week for any worker called in at the beginning of the week. No guarantee applies if the worker receives notice Saturday that there will be no work for him the following week.

Is this an indication of the way UAW bargainers will react when they start talking to Canadian and U. S. automakers about GAW?

The union says no. But it's likely that management will more firmly oppose the costlier 52-week guarantee than the less cumbersome 40-hr. demand.

* * *

### *Labor Briefs*

CIO-CCL United Auto Workers' leaders this week end will meet in Windsor to put together the demands they will serve on management in 1955.

Emphasis, of course, will be on the guaranteed annual wage. Around 125 leaders from UAW Locals will get the details of GAW from union leaders, including International President Walter Reuther.

The policy conference will work on an angle to GAW which hasn't so far got much publicity: Its relationship to Canada's Unemployment Insurance Act. This could turn out to be a complicated subject which will crop up frequently when GAW reaches the bargaining table.

* * *

New boss of the 33,000-man CCL Canadian Brotherhood of Railway Employees is William J. Smith, 50, who says he won't change Union policies. Succeeding the late Harry Chappell, Smith has been one of the driving forces behind the new approach to contract negotiations which the Union has favored in recent weeks. Smith wants an overhaul of federal legislation affecting rail negotiations, independent conciliation boards with all members named by the Government. But, he says, the Union won't give up its right to strike.


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# Company Reports

## Beverage

**ORANGE CRUSH LTD.** consolidated net profit and surplus for the year ended Oct. 27, 1954, was $17,818, 92.9% less than consolidated net profit and surplus of the previous fiscal year of $249,546.

Although consolidated sales were down only 2.2%, practically the whole of the decrease took place in the profitable summer months, say Chairman J. William Horsey and President J. M. Thompson. The decrease was caused by unfavorable weather in Canada and certain parts of the U. S.

Advertising expenditures were increased by $166,000, necessary to overcome adverse weather conditions and to maintain position in the industry.

Loss of $40,829 due to the devaluation of the Mexican peso is evidence of the increasing problem of foreign exchange, say Mr. Horsey and Mr. Thompson. In addition to this special loss, the non-operating income of the U. S. subsidiary decreased because of the difficulty of advantageously transferring foreign income.

"Although operations in the foreign markets have been very profitable," say the chairman and president, "it is becoming increasingly difficult in certain countries to obtain U. S. dollars and then only at a substantial premium. Profits originating in these countries are taken up by the United States subsidiaries only when received.

"Accumulated deposits in these countries to the subsidiaries credit, at the official rates of exchange, totaled at the year end $340,000 and at the free rate $143,000. If U. S. dollars had been available for the transfer of these profits, the subsidiaries' income would have been considerably increased in the past few years."

It is the company's intention to continue to depreciate buildings and machinery in Canada at one half the maximum rate permitted by Canadian income tax regulations.

CONS. INCOME ACCOUNT

| Years Ended: | Oct. 27 1954 | Oct. 28 1953 |
|---|---|---|
| Net earnings | $394,474 | $726,471 |
| Add: other income | ..... | 6,290 |
| Less: Bond int. | 53,625 | 21,000 |
| Bank & oth. int. | 14,093 | 37,487 |
| Deprec. & w/o | 252,328 | 280,555 |
| Inc. tax res. | *47,946 | *122,402 |
| Minority int. | 8,664 | 21,771 |
| Net prof. & surp. | 17,818 | 249,546 |

*After reduction of $85,000 in 1953, $9,000 in 1954, on application of losses in prior years.

| Times Bond Interest Earned†: | | |
|---|---|---|
| Before depr. & w/o | 7.09 | 33.11 |
| After depr. & w/o | 2.39 | 19.75 |

†After deducting bank and other interest.

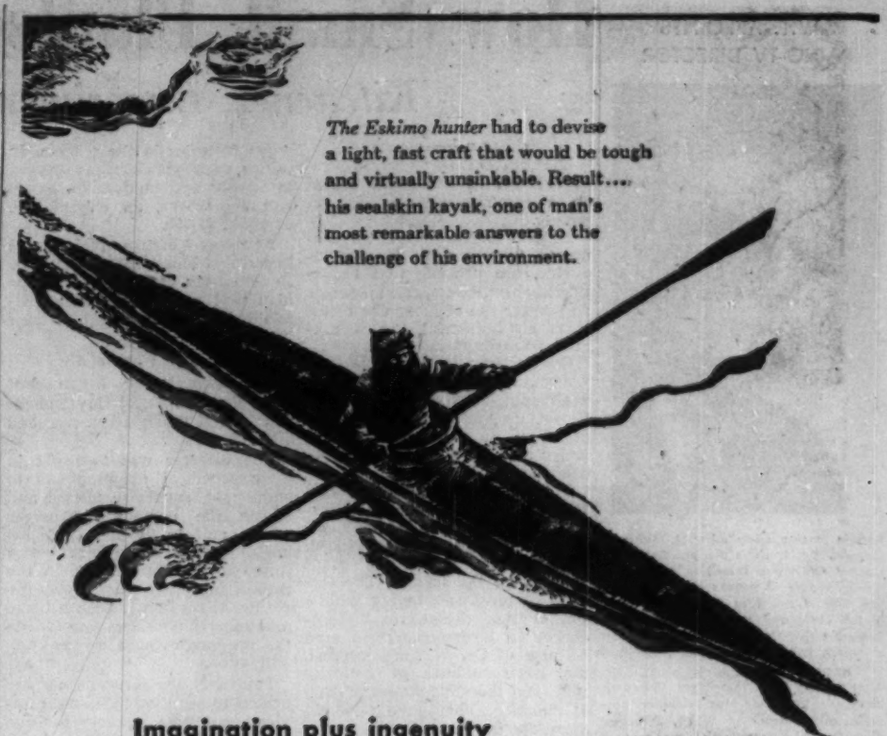
| Earnings per Share and Dividend Record: | | |
|---|---|---|
| Common | $0.04 | $0.59 |
| None paid. | | |

CONDENSED CONS. BALANCE SHEET

| As at: | Oct. 27 | Oct. 28 |
|---|---|---|
| Cash | $1,029,856 | $959,561 |
| Accts., etc., rec., less res. | 618,532 | 519,708 |
| Inventories | 901,009 | 1,146,528 |
| Total curr. assets | 2,549,397 | 2,625,797 |
| Prepaid exp. | 144,975 | 111,046 |
| Inv. in subs. & affil. | 12,662 | 12,662 |
| Containers | 983,568 | 648,963 |
| Misc. assets | 19,273 | 19,273 |
| G'will, franch., etc. | 4,107,604 | 4,127,676 |
| Fixed assets* | 1,494,059 | 1,522,961 |
| Total assets | 8,991,538 | 9,068,398 |
| Bank loan | 281,000 | 319,000 |
| Accts., notes, pay. | 504,097 | 536,002 |
| Income tax pay. | 53,480 | 44,041 |
| Debent. pay. | 145,000 | ..... |
| Total curr. liab. | 983,577 | 899,043 |
| Funded debt | 1,200,000 | 1,425,000 |
| Minority int. | 430,536 | 470,427 |
| Ref. dep. on cont'rs. | 321,945 | 307,673 |
| Capital stock | 5,468,233 | 5,468,233 |
| Earned surplus | 577,237 | 568,022 |
| *After depr. of | 1,342,219 | 1,325,658 |

•Included in curr. assets in cos. accounts.

| Working capital | 1,565,820 | 1,726,754 |
|---|---|---|

*The Eskimo hunter* had to devise a light, fast craft that would be tough and virtually unsinkable. Result.... his sealskin kayak, one of man's most remarkable answers to the challenge of his environment.

Imagination plus ingenuity were the twin keys to the Eskimo's problem. Here at the Royal Bank we believe those same two qualities to be important in the banking business: imagination to plan for the future, ingenuity to meet new conditions as they arise. The result, a flexible banking service, constantly expanded and adjusted to meet the changing needs of our customers.

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ANNOUNCEMENT

FRED W. BARDGETT

Mr. J. Friedman, President of The Hallicrafters Canada Limited, announces the appointment of Mr. Fred W. Bardgett as General Sales Manager for the company. This appointment comes as a direct result of the purchase of the company by Trav-Ler Radio Corporation. In addition to the full Hallicrafters line, the complete Trav-Ler series of TV, Radio, High Fidelity and Phonographs will be manufactured in the Don Mills Plant. Fred Bardgett is a well-known figure in the Canadian Radio and Television trade, and will be responsible for both Hallicrafters and Trav-Ler sales.

*FLYING ANYWHERE by TCA? These files in the passenger nerve-centre, Payload Control, carry your name, list your flight number.*

# From Phone Call To Flight

## How A Big Airline Packs Up Your Travel Problems

When next you reach for the 'phone to book a seat on a TCA flight just think what you're starting. The trained operator will make it seem the simplest of operations. But that's only because of Payload Control in Toronto is the booking office nerve-centre of TCA's world operations.

Take a case! You're in Vancouver and you want to get to Germany quickly. The local TCA office will tell you at once how soon it can be arranged. At each of the airline's ticket centres is a board, much like a wartime air operations board. On it is marked every TCA flight for the next month.

As passengers can buy tickets for any flight at a TCA office or agent hundreds of miles from the starting point there is a risk that too many seats will be sold. To overcome that, Payload Control has been established. Every booking made anywhere in the world is listed there. When only four seats are left a stop signal goes out to 100 booking centres, and a white disc goes up in the local offices under the flight number.

Our traveler in Vancouver finds he can run into just that problem. The ticket clerk sees the white disk under the flight number, asks where the traveler can be reached in case there is a seat left.

This is more than a polite gesture. The ticket office wires Toronto asking for one of the four stop seats. If it's still free the passenger has his flight, otherwise he must wait for a cancellation.

And there his chances are good. On the average, 10% of booked passengers phone to say they can't make it. On some flights—such as the shorter Toronto-Montreal and New York services—the turnover often reaches as high as 40%-50%. Because of this all airlines now insist on passengers confirming their intention to fly.

**Needs Quick Decisions**

At Payload Control, operating 24 hours a day, an average of 20,000 messages are received daily about intended flights. The traveler from Vancouver, having been given a seat on Flight 808 leaving Vancouver at 8.25 p.m. local time is put on the passenger list. The list is kept in a large circular file that can be spun around by any one of the clerks sitting around it. Two similar files hold the payload of every flight that day, every one for the next day.

There quick decisions are the order. Flight 808 for instance has 48 seats available. It stops off at Edmonton, Saskatoon, Winnipeg, Toronto and Montreal. It links up with Flight 500 for Europe. At every stop passengers will get on and off.

It is up to the Payload Control planners to ensure enough seats are available.

Then there is freight and mail to be allocafed. This would be easy if it wasn't for the fact that at the last minute the pilot may be told of headwinds on the route that make it essential he carries extra fuel. Something must go. Payload Control must decide what—and quickly.

Once the flight has begun and the passengers are settling down to dinner the ground experts are still worried. They must keep a check on other airlines to make sure their connecting flights along the way are on time. If not, they must arrange alternative services for any stranded travelers.

**Quality Listens In**

In special cases they may order an extra flight to handle stranded passengers, though they must be pretty sure of it being completely full one way, or half full both ways, to make it a financial proposition.

By the time he is in flight the unsuspecting passenger has been listed and docketed all along the line. Virtually dozens of people know about him and his travel problems.

Yet there are thousands of bookings a day. In Toronto alone the booking office employs a staff of 194 handling 5,000 calls a day. Each booking receives the same detailed attention.

To make sure you get the proper attention an operator—known as Quantity and Quality Control—listens in at random to incoming calls. If the booking clerk doesn't answer and deal with your query in the prescribed manner, he very quickly hears about it from his supervisor.

This summer TCA, in common with most airlines, expects more trade than ever before. Already Payload Control has files for next September on flights to Europe that are fully booked up and have waiting lists. But despite such pressure TCA are determined the traveler will get the best service possible from the moment he picks up the phone.

## Canada Buys 43% Fewer British Cars

Canada went sharply against the world-wide trend in its purchases of British motor vehicles last year.

The figures:

—British world exports totaled 366,000 cars worth $325 millions last year compared with 302,000 worth $285 millions the year before.

—While export sales of British cars hopped 21%, Canadian purchases sagged 43% from 28,800 in 1953 to 16,500 in 1954.

—Canada dropped from No. 2 customer for British cars (behind Australia) in 1953 to No. 7 (behind Australia, New Zealand, Sweden, U. S., Irish Republic, South Africa) last year.

—Canada and South Africa were the only major importers of British cars whose buying dropped during 1954.

—While Canadian purchases of British cars slipped 43%, they bought almost 20% fewer home-built vehicles. The drop in Canadian production was close to 30%.

ANNOUNCEMENT

ROYAL TRUST APPOINTMENTS

ROSS CLARKSON — J. PEMBROKE, C.B.E. — J. M. WELLS

Following the Annual Meeting of the Company, Ross Clarkson was elected Chairman of the Board of The Royal Trust Company, succeeding R. P. Jellett, who was elected Honorary President, J. Pembroke, formerly Vice-President and General Manager, was elected President, and J. M. Wells, formerly an Assistant General Manager, was appointed General Manager.

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## Higher Earnings For MacM., Bloedel

Net income of MacMillan & Bloedel Ltd. for the three months ended Dec. 31, 1954 increased to $3,548,857 ($2,691,300 in the comparable 1953 quarter), equal to 67c (51c) per share (class A and class B shares combined). Company's fiscal year ends Sept. 30.

President B. M. Hoffmeister said the improvement was due to generally higher volume of shipments and somewhat higher prices.

The figures are subject to audit and year-end adjustment. Here is a comparison of sales and earnings in the two periods:

| | 3 Months Ended Dec. 31/54 | Dec. 31/53 |
|---|---|---|
| Sales | $33,021,084 | $30,750,868 |
| Net earnings | 6,043,645 | 5,281,006 |
| Income taxes | 2,394,788 | 2,589,706 |
| Net income | 3,548,857 | 2,691,300 |

## Marconi Radar Aids Little Ships

Now the little vessels—like tugs and fishing boats—can have radar. A new set of marine equipment intended for smaller vessels has been produced by Canadian Marconi Co.

Completely waterproof, it is housed in an aluminum cover, has been built rugged and compact. Marconi engineers claim the set—designated LN35—gives the small shipowner top-rate performance at budget figures.

There are five possible ranges it can pick up at the touch of a switch. At long range the outer circle is 20 miles, at short range it is one mile. On short range, objects can be detected 30 yards from the ship.

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... biggest car in the low-price field!

Here's a real buy! BIGGEST CAR IN THE LOW-PRICE FIELD . . .
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. . . yet prices are down with the lowest!

Dodge for '55 is wider at the hipline for more seating room, and slimmer up toward the roof to emphasize its long, low, road-hugging stability.

New MOTION-DESIGN styling gives this low-hooded beauty The Forward Look of motion, even when the car is standing still

WHAT A VIEW!
New Horizon windshield—the first true wrap-around design—has swept-back corner posts so glass wraps way around at top as well as bottom. More visibility at eye level!

NEW FABRICS! NEW COLOURS!
Beautiful new two-tone interiors.
And such COMFORT on wider, chair-height Dodge seats.

A flick of your finger moves the new dash-mounted Flite Control—the selector lever for PowerFlite automatic transmission.

Pick your power! V-8 or 6's
Three great new engines—up to 167 horsepower!

Dodge for '55 RIDES LIKE THE BIG CAR IT IS!
Longer wheelbase and wider front tread for greater stability. New, extra-strong frame. New, 25% wider rear springs. Oriflow shock absorbers provide just-right control on bumps of all kinds.

More and more motorists are SWITCHING TO DODGE . . . the all-new beauty for '55!

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See your DODGE-DESOTO dealer now for the BIG BUY of the year!

ANNOUNCEMENT

Huron & Erie Vice-President

V. P. CRONYN

The election of Verschoyle P. Cronyn as vice-president of The Huron & Erie Mortgage Corporation has been announced by M. Aylsworth, president of this company. Mr. Cronyn, a director of the Huron & Erie since 1930, is president of Cronyn, Pocock & Robinson Ltd. and a director of The Canada Trust Company and John Labatt Ltd.

MARKET COMMENT

The informed opinion of men experienced in market analysis is given regularly in this investment feature. For profit add their viewpoint to yours. You get them in

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# Industry Has A New Robot Servant

## *Automation Saves Living Standards, Cuts Out Danger*

***Automation — the new technology slated to bring greater benefit to mankind in the long run than atomic energy. Milton O. Cross, Jr., president and manager for 20 years of Detroit's Cross Co., automated machine tool producers, says it will have profound influence on social, economic, industrial plans in the years ahead. He finds it almost unbelievable that unions should try to control its introduction by the guaranteed annual wage as a kind of penalty tax. This is a digest of his Milwaukee speech:***

**By MILTON O. CROSS, JR.**

Atomic energy has its enthusiastic champions and rightly so; but, in the long run, automation will probably be the greater public benefactor.

Automation is the new technology which holds so much promise for the continuity of the dynamic characteristics of industry, commerce and transportation during the next 10, 20, 30 or more years.

The intellectual awakening manifest in automation is taking dull and laborious work off the backs and minds of men and putting it on machines. Automation is an absolute necessity, arriving none too soon to do the body-breaking, unpleasant and unsafe jobs human labor no longer wants at any price.

The word "automation" is relatively new. Everybody has his own idea of its meaning. To some, it means mechanization; to others, material handling. To the uninformed, a nightmare of robots and machines running factories without men.

Automation has developed beyond the limited definition of a few years ago. This broadened concept will have a direct and profound influence on our social, industrial, and economic plans during the years ahead. Its by-product is increased productivity and efficiency with uniform quality.

There is now no branch of industry, commerce, or transportation where automation is not making a substantial contribution. In fabricating industries mass production is possible with mechanization and material handling devices. In process industries measuring instruments and automatic controls for temperature, flow, pressure, hydrogen ion concentration and other properties are an integral part of equipment. Transport is made safer with automatic navigation aids, office work more tolerable with data-processing machines. Scientific instruments are finding increased use in our primary industries.

### Three Divisions

There are three very natural divisions of automation: fabricating, processing, data automation.

Fabricating automation deals mostly with rigid forms of material subjected to a variety of treatment in their preparation for market. Metal working and textiles are good examples.

Processing automation usually handles nonrigid materials which flow and are homogeneous like gases and liquids. Sometimes rigid materials in minute form, such as powder or cereals, are blown or otherwise carried along in streams through one process after another, continuously and automatically to finished product. Chemical and petroleum industries are particularly strong on automation with instruments measuring and controlling pressures, temperatures, volumes and flow of materials—directing the process, indicating and recording the result. These plants are probably the nearest thing we have to complete 100% automation.

It is doubtful that the metal-working industry will ever be automated to the extent of the chemical industry.

Data automation usually deals with intangibles such as signals for traffic control, information for accounting or record purposes. Data is now being processed, handled and interpreted by automated equipment to provide management with best reports it has ever had.

Plans for stepping up automation must be made today to provide the necessities for living tomorrow. A combination of increased population and proportionate decrease in the working force will impose enormous loads on our productive capacity.

Indeed, we will need automation and everything it will do for us to prevent a decline in our living standard. We must do everything we can to encourage development of the new technology, to step up its use wherever applicable.

Faced with the obvious necessity and desirability of such action, it is almost unbelievable that we should today be confronted with an organized effort to control and restrain the broader use of automation.

### A Dangerous Attempt

We have the word of no less an authority than Walter P. Reuther, president of the United Auto Workers Union that the guaranteed annual wage is the control needed to regulate the introduction of automation.

Thus, we see seasonal unemployment pushed aside as the reason for the guaranteed annual wage. In its place we see a very dangerous attempt to harness and control the new technology.

We need not concern ourselves here with the demand for a guaranteed annual wage, as such; but we all must certainly concern ourselves with the proposal to impose, in effect, a penalty tax on technological progress.

The attempt to tax the public interest in the new technology is, indeed, revolutionary and not in harmony at all with the protection of the general welfare.

This bid for control of the new technology is being popularized by frightening people unfamiliar with modern developments. There is always grave danger in the exploitation of ignorance! Those who understand the new technology and how it will improve living standards, have a moral responsibility to share that knowledge and relieve the anxiety of the working man.

All of us—and that includes the working man—want to enjoy the benefits of the broadest use of automation. Those who have the broad view of the whole public welfare in mind will encourage the new technology, wherever it can be applied. Labor statesmanship now will bear rich and everlasting rewards.

Automation's challenge to management will call for new techniques in planning, finance, administration, and execution.

### The Manager's Job

The new technology demands, above all, that management create markets—there must be consuming ability parallel with productive ability.

Management can no longer look upon selling as an attempt to find a buyer. It must focus continuously and systematically on creating mass purchasing power and mass purchasing habits.

The successful manager of the new technology will make employment more predictable and vastly more stable. A broad upgrading of labor is under way. The unskilled must be made into a highly trained maintenance man, the skilled tradesman into a technician.

The new manager must acquit himself in several ways:

—He must manage by objectives.

—He must take more risks and for longer periods of time.

—He must master all steps in the decision-making process.

—He must build a closely knit management team with common objectives.

—He must be able to communicate information fast and clearly.

—He must see the business as a whole.

—He must relate his product and industry to economic, political and social developments on a world-wide scale and integrate those trends into his own decisions.

Two tools must be used in attaining these objectives:

First, simplification by method and system. That which has been done by rule of thumb or intuition is being reduced to concepts and principles and then converted to method and system.

Second, advanced management education. It is becoming quite apparent that advanced management training isn't very helpful until a man has acquired actual experience in the work that his advanced studies are going to organize, elucidate, and focus.

The impact of the new manager's decision on people in the organization is so great that he must have genuine principles and stick to them rather than give in to expediency. The impact of his decisions on the economy is so great that the public welfare requires that he behave responsibly.

ANNOUNCEMENT

CORBY-WISER'S DISTILLERY APPOINTMENTS

H. W. HOWLETT — J. V. BOYLE — P. A. LANGLOIS — P. E. HENAULT

New executive appointments have been announced by LEO W. VEZINA, president and general manager, Corby-Wiser's Distillery. H. W. HOWLETT, assumes the position of executive assistant to the president. J. V. BOYLE has been appointed director and manager of Canadian Industrial Alcohols and Chemicals Limited and management assistant, Ontario beverage sales. P. A. LANGLOIS becomes director and manager of J. M. Douglas & Company Limited (Corby's import and rum divisions). P. E. HENAULT has been appointed sales supervisor, Quebec and Maritime provinces. All appointments are effective immediately.

# Company Reports

**MARITIME TELEGRAPH & TELEPHONE CO.**, Halifax, net profit for 1954 was $1,366,770, 7.1% higher than net for 1953 of $1,276,465.

Gross operating revenue for the year jumped 7.51% from $9,317,300 to $10,017,427. Of this local service revenue increased by 6.22%, toll service revenue 10.29% and miscellaneous revenue 4.59%. Operating expenses, however, were higher by 7.55%, from $6,028,871 to $6,484,275.

The largest single item of increase was depreciation, due to increased and continued growth of company's plant.

Gross construction during the year amounted to $4,078,221 and plant retirements $1,287,112.

Improvement of plant and facilities has increased total plant investment to $39,979,009, an average of $317.17 per telephone, says President A. Murray MacKay. No outside financing was necessary in 1954, but the company's requirements suggest financing will be necessary in 1955.

At the end of the fiscal year number of telephones in service was 126,048, an increase of 4.15% for the year. Of these 76.6% are dial-operated.

Operator toll dialing was further extended during 1954, primarily by the extension of the network reached through Boston. Toll dialing was also established between Nova Scotia and New Brunswick.

Interprovincial microwave circuits between Halifax and Saint John were increased by 23, and between Digby and Saint John by three. At the end of the year there was a total of 73 out-of-province radio circuits. Early in the year the Maritime route was established as an alternate route for Trans-Canada and United States traffic, and all types of traffic over that route expanded considerably since it went into operation, says the president.

Hurricane "Edna" caused loss to the company of over $100,000. In addition to the major circuits to New York, Boston, Toronto, Ottawa, Montreal and Newfoundland being out, 12,000 telephones were out of order.

| INCOME ACCOUNT | | |
|---|---|---|
| Years ended Dec. 31: | 1954 | 1953 |
| Net earnings | $4,655,708 | $4,296,197 |
| Less: Deprec. | 1,500,940 | 1,351,003 |
| Bond int. | 477,500 | 477,500 |
| Other interest | 323 | 221 |
| Income tax | *1,311,935 | 1,192,841 |
| Add: Bd. prem. | 1,760 | 1,833 |
| Net profit | 1,366,770 | 1,276,465 |
| Less: Pref. divds. | 105,000 | 103,000 |
| Common divds. | 1,073,857 | 926,975 |
| Surplus for year | 187,913 | 242,490 |

*Includes $195,648, amount of reduction in tax payable for 1954, which results from claiming for tax purposes depreciation in excess of that charged in the accounts.

| | | |
|---|---|---|
| Times Bond Int. Earn.† | 6.61 | 6.17 |

†After other interest and depreciation.

| Earnings per Share and Dividend Record:* | | |
|---|---|---|
| Preferred | $9.11 | $8.51 |
| Paid | 0.70 | 0.70 |
| Common | 0.93 | 1.00 |
| Paid | 0.80 | 0.80 |

| CONDENSED BALANCE SHEET | | |
|---|---|---|
| As at Dec. 31: | 1954 | 1953 |
| Cash | $902,682 | $2,435,395 |
| Temp. cash invest. | 500,000 | ..... |
| Accts., etc., rec. | 1,176,419 | 1,113,320 |
| Inventories | 1,311,001 | 1,367,658 |
| Total curr. assets | 3,892,102 | 4,916,373 |
| Misc. assets | 138,582 | 155,168 |
| Invest. in subs. | 391,150 | 391,150 |
| Fixed assets | 39,979,009 | 37,187,900 |
| Total assets | 44,400,843 | 42,650,591 |
| Accts., tax pay. | 924,272 | 987,887 |
| Divds. pay | 296,015 | 259,911 |
| Accr. bd. int. | 192,292 | 192,292 |
| Total curr. liab. | 1,412,579 | 1,440,090 |
| Def. credits | 56,190 | 59,429 |
| Def. income tax | 195,648 | ..... |
| Funded debt | 13,500,000 | 13,500,000 |
| Deprec. res. | 9,196,477 | 8,037,930 |
| Other res. | 378,749 | 378,749 |
| Prem. on cap. stk. | 2,764,864 | 2,764,864 |
| Capital stock | 15,040,090 | 14,799,010 |
| Earned surplus | 1,656,146 | 1,470,519 |
| Working capital | 2,479,423 | 3,476,283 |

## COMPANY REPORTS

**DOMINION LIFE ASSURANCE CO.**, Waterloo, Ont., new business in 1954 totaled $72,689,352, compared with $77,759,158 in 1953. Of the 1954 total, 93.6% was ordinary insurance, 4.3% group, 2.1% deferred annuities.

Business in force at Dec. 31, 1954, was $603,798,426, an increase of $40,663,862 on the year.

Assets increased by $8,906,900 to reach a year-end total of $136,097,170. New mortgage investments provided the major outlet for company's new funds, reports President J. E. Frowde Seagram. Mortgage portfolio at the end of 1954 was $46,140,283 ($38,034,813 a year earlier).

Gross rate of interest earned rose to 4.44% from 4.28% in 1953, says the president, mainly as a result of higher proportionate investment in mortgages.

Payments of death, disability and accident benefits were lower at $2,723,171 ($2,841,057). "Our mortality experience for the year 1954 showed a substantial improvement and was probably the best in the history of the company," says the president.

In the accident and sickness department, premiums received in 1954 were about 55% greater than in 1953.

Company occupied its new head office building in December.

| $000 | 1954 | 1953 |
|---|---|---|
| Insurance in force | 603,798 | 563,135 |
| New business | 72,689 | 77,759 |
| Total assets | 136,097 | 127,190 |
| Mtges. & sls. agree. | 46,140 | 38,035 |
| Bonds & debent. | 70,343 | 71,373 |
| Premium income | 16,277 | 15,878 |
| Invest. income | 5,367 | 4,973 |
| Profit on assets sold | 370 | 116 |
| Policy payments | 7,359 | 7,379 |
| Policy reserves | 108,897 | 101,938 |
| Free surplus | 3,007 | 4,287 |
| Liabs. to sh'holders | 440 | 433 |
| Interest earned | 4.44% | 4.28% |

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Such measures maintain the pulp and paper forests as an everlasting source of wealth for Canada. They also support permanent communities that are bases for the further development of the country.

PULP & PAPER INDUSTRY of CANADA

131 MILLS, SMALL AND LARGE, FROM COAST TO COAST

Drawing by Franklin Arbuckle, R.C.A.

## *Position of Chartered Banks of Canada as of December 31, 1954, Shown by Monthly Returns to Minister of Finance*

(Thousands of dollars)

ASSETS

| NAME OF BANK | Gold & coin in Canada | Gold & coin outside Canada | Notes & deposits with Bk. of Can. | Gov. and bk. notes other than Can. | Dep. with oth. banks in Can., currency | Deposits with oth. bks. in currencies oth. than Can. | Cheques and oth. items in transit, net | Gov. of Can. treasury bills | Dom. Gov. Short Term Sec. | Dom. Gov. Long Term Sec. | Prov. Gov. Sec. | Municipal Sec. | Other Can. Sec. | Securities oth. than Can. | Mtges. | Call and short loans in Can. | Call and short loans outside Can. | Loans to Can. Prov. Gov. | Loans to municipalities | Other current loans in Can. | Other current loans outside Can. | Non-current loans | Bank premises | Shares and loans to corporations | Letters of credit | Other assets | Total assets |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Montreal | 4,449 | 4 | 183,330 | 2,106 | 1,013 | 60,923 | 349,790 | 79,287 | 139,126 | 647,035 | 79,645 | 41,520 | 110,791 | 80,452 | 19,087 | 34,264 | 53,786 | 19,262 | 20,230 | 762,952 | 20,240 | 534 | 24,619 | 1,490 | 34,905 | 398 | 2,672,318 |
| Nova Scotia | 1,749 | 369 | 92,858 | 6,159 | 250 | 20,035 | 52,086 | 26,525 | 52,418 | 177,214 | 4,482 | 12,362 | 15,084 | 13,748 | 2,258 | 23,631 | 46,120 | 4,089 | 5,741 | 295,801 | 31,695 | 1 | 9,890 | 4,599 | 14,815 | 1,404 | 1,035,363 |
| Toronto | 1,078 | ..... | 48,480 | 925 | ..... | 9,148 | 49,748 | 10,653 | 44,614 | 141,878 | 10,746 | 12,202 | 20,468 | 5,841 | 4,031 | 11,292 | ..... | ..... | 4,730 | 224,591 | ..... | 34 | 9,829 | ..... | 2,143 | 16 | 512,409 |
| Provinciale | 727 | ..... | 14,288 | 296 | ..... | 1,058 | 12,275 | 2,670 | 15,880 | 33,383 | 15,221 | 8,598 | 8,953 | 189 | 236 | 6,456 | ..... | 3,073 | 8,492 | 78,934 | ..... | 30 | 3,880 | ..... | 298 | 394 | 319,641 |
| Commerce | 2,118 | 69 | 136,547 | 2,296 | 1,206 | 54,499 | 111,259 | 47,468 | 114,942 | 392,478 | 27,901 | 31,018 | 59,565 | 68,337 | 11,662 | 35,476 | 29,787 | 9,826 | 16,873 | 732,446 | 43,808 | 404 | 19,752 | 15,927 | 29,707 | 881 | 2,049,734 |
| Royal | 3,844 | 936 | 179,012 | 26,125 | 347 | 137,685 | 173,014 | 90,733 | 176,169 | 603,529 | 67,592 | 37,532 | 103,890 | 148,138 | 31,394 | 70,689 | 47,147 | 15,271 | 15,166 | 827,397 | 171,164 | 287 | 24,709 | 6,327 | 56,773 | 781 | 3,015,651 |
| Dominion | 1,675 | 1 | 37,059 | 621 | 22 | 11,676 | 55,078 | 29,959 | 26,480 | 90,947 | 4,266 | 7,028 | 5,501 | 293 | 1,048 | 8,502 | 18,878 | 3,527 | 2,293 | 222,520 | 2,160 | 29 | 8,716 | ..... | 8,526 | 184 | 543,389 |
| Nationale | 1,754 | ..... | 40,682 | 708 | ..... | 2,966 | 28,518 | 37,875 | 38,350 | 77,626 | 31,906 | 11,775 | 10,503 | 1,432 | 2,191 | 9,159 | ..... | 7,318 | 19,796 | 217,694 | 278 | 41 | 8,138 | ..... | 934 | 87 | 549,131 |
| Imperial | 1,404 | ..... | 34,997 | 550 | 128 | 12,519 | 71,887 | 29,544 | 33,256 | 146,613 | 18,100 | 14,629 | 8,141 | 1,694 | 2,493 | 10,841 | ..... | 4 | 7,279 | 295,498 | 2,245 | 32 | 3,952 | 2,750 | 5,884 | 1 | 695,441 |
| Barclays | 15 | ..... | 3,333 | 42 | 112 | 1,236 | 3 | 4,575 | 3,935 | 6,485 | 3,573 | 610 | 174 | 1,530 | 30 | 569 | ..... | ..... | ..... | 7,852 | ..... | 1 | 1,307 | ..... | 2,210 | 20 | 37,813 |
| Mercantile | 6 | ..... | 1,101 | 92 | 83 | 935 | 42 | 500 | 442 | 317 | 76 | 38 | 262 | 306 | ..... | 112 | ..... | ..... | ..... | 1,988 | ..... | ..... | 118 | ..... | 208 | ..... | 6,397 |
| Total | 19,319 | 1,379 | 791,167 | 40,920 | 3,163 | 312,680 | 903,700 | 359,799 | 635,592 | 2,317,562 | 263,506 | 177,312 | 353,332 | 321,954 | 74,240 | 211,191 | 195,688 | 61,252 | 102,630 | 3,787,853 | 292,890 | 1,412 | 114,798 | 31,093 | 155,421 | 3,831 | 11,433,197 |

(Thousands of dollars)

LIABILITIES

| NAME OF BANK | Deposits by Govt. of Canada in Can. currency | Deposits by Canadian prov. govt. in Can. currency | Deposits by oth. banks in Can. currency | Deposits by other banks in curr. oth. than Can. | Personal savings dep. in Can. | Notice deposits in Can. curr. | Demand deposits in Can. currency | Other deposits in currencies oth. than Can. | Adv. from Bk. of Can. secured | Acceptances, guarantees and letters of credit | Other liabilities | Capital paid up | Rest account | Undivided profits at latest fiscal year end | Total Liabilities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Montreal | 46,082 | 63,997 | 24,088 | 8,310 | 1,185,546 | 93,149 | 878,708 | 188,914 | ..... | 36,905 | 7,291 | 44,875 | 29,750 | 3,813 | 3,472,319 |
| Nova Scotia | 14,095 | 8,867 | 4,158 | 13,147 | 490,251 | 25,737 | 302,177 | 108,496 | ..... | 14,815 | 2,496 | 15,000 | 38,000 | 824 | 1,035,363 |
| Toronto | 9,067 | 4,982 | 8,045 | 367 | 342,462 | 29,975 | 186,745 | 3,051 | ..... | 2,143 | 932 | 6,000 | 18,000 | 671 | 612,409 |
| Provinciale | 3,223 | 1,649 | 356 | ..... | 134,434 | 8,231 | 58,601 | 271 | ..... | 296 | 245 | 5,000 | 3,000 | 333 | 215,641 |
| Commerce | 32,174 | 39,168 | 20,972 | 5,507 | 963,876 | 60,825 | 662,415 | 147,812 | ..... | 29,707 | 5,420 | 30,000 | 51,000 | 648 | 2,049,734 |
| Royal | 44,920 | 32,245 | 26,482 | 49,338 | 1,136,771 | 106,917 | 933,192 | 460,512 | ..... | 36,773 | 21,369 | 41,843 | 103,843 | 1,564 | 3,015,651 |
| Dominion | 5,769 | 2,953 | 4,887 | 2,506 | 278,226 | 14,541 | 184,469 | 21,121 | ..... | 5,526 | 1,168 | 7,000 | 14,000 | 1,240 | 543,389 |
| Nationale | 6,659 | 2,512 | 2,604 | 221 | 347,842 | 20,096 | 143,924 | 3,073 | ..... | 954 | 1,618 | 7,000 | 11,000 | 148 | 549,131 |
| Imperial | 11,882 | 33,582 | 7,047 | 2,590 | 330,187 | 32,691 | 234,323 | 12,126 | ..... | 5,884 | 2,263 | 7,000 | 13,499 | 1,868 | 695,441 |
| Barclays | 589 | 17 | 4,429 | 360 | 7,905 | 1,812 | 11,767 | 2,081 | ..... | 2,210 | 25 | 3,000 | 3,000 | 397 | 37,813 |
| Mercantile | 79 | ..... | 764 | 219 | 217 | 1,979 | 925 | 303 | ..... | 208 | 2 | 1,500 | 400 | 1 | 6,397 |
| Total | 176,489 | 190,672 | 103,932 | 82,565 | 5,317,717 | 397,353 | 3,597,243 | 947,760 | ..... | 135,471 | 43,129 | 169,318 | 344,335 | 9,013 | 11,433,197 |

**Policyholder Wm. T. Hamilton discusses Highlights of the 65th Annual Report with The Excelsior Life's President Major-General A. Bruce Matthews**

☆ Mr. Hamilton has been a policyholder since 1935 and now owns seven Excelsior Life Policies.

*Mr. Hamilton: "Did The Excelsior Life have a good year?"*

President Matthews: "Yes, indeed! Our new insurance totalled $53,266,717, which was $4,749,258 more than in the previous year . . . And our Insurance in Force has grown to $375,102,284 — which is an increase of $29,816,314 during 1954 . . ."

*Mr. Hamilton: "What is the Company's financial position?"*

President Matthews: "Stronger than ever! At the end of the year our assets had reached $73,827,115; our liabilities for policy reserves, etc., were $64,440,980, and our unallotted surplus and contingency reserve had increased to $3,066,031.42 . . ."

*Mr. Hamilton: "How about the 1954 income?"*

President Matthews: "Our premiums received were $9,811,576, while our income from investments, etc., was up to $3,331,582 — making an income total of $13,143,518 . . ."

*Mr. Hamilton: 'And what was done for your policyholders?"*

President Matthews: "In direct payments we paid out over $3,889,808; $1,335,251 in death claims, plus $2,554,557 to living policyholders like yourself in maturities, dividends, annuity income, surrenders and similar benefits — as well as adding $4,853,507 to our policy reserves to provide increased protection for the larger volume of insurance in force."

*Mr. Hamilton: "Mr. President, you have every reason to be proud of the 1954 progress of our good Company!"*

*Branch Offices In Principal Cities From Coast To Coast*

The EXCELSIOR INSURANCE LIFE COMPANY
A STRONG CANADIAN COMPANY



**Plan for Profit**

For money-making information and ideas, use The Financial Post every week. It is Canada's most comprehensive business news service on investment and industrial opportunities, on how government moves affect you. Read The Post for facts that help you make profitable decisions.


# Australia: A Lesson In Co-operation

## *Public, Private Enterprise Share in 10-Year Growth*

***Can private and public enterprise work together to expand a new economy? Must such a combination dissolve in a struggle for and against Socialism? Sir Douglas Copland, Australian High Commissioner to Canada, recently addressed the Chartered Institute of Secretaries in Montreal on the co-operation between government and private industry in his country's growth. Here is a digest of his address:***

By SIR DOUGLAS COPLAND

The Australian economy is a judicious mixture of public and private enterprise. It is in the pattern in which private enterprise will flourish in the future, especially in the underdeveloped countries now striving to embrace modern technique in agriculture and industry, and to raise the living standards of their massive populations.

The acid test of an expanding economy is the rate of investment. In this respect Australia in recent years has been in the vanguard with a rate of investment, both public and private, in the vicinity of 25% of gross national product.

This means that one quarter of the total resources available is devoted to the future. This is being accomplished with a rising standard of living and the maintenance of free institutions, and a code of social justice that will compare favorably with any in the world. It is the boast of the Communist world that there is a high rate of investment, but at what cost in human values is it carried out? It is the dilemma of the free world that it must match this rate of progress whilst maintaining freedom.

In a country with a settled social structure and high standards of living, it is possible to beat the Communists at their own game in capital formation, and to give continued freedom to the masses of the people. This is not so easy in countries with large populations on low standards of living, and the great contest in the economic development of our day is whether the Communists or we of the free world will capture the imagination of the populous countries in Asia, the Middle East and Africa in their new-found independence and their legitimate struggle for a better life. In this field of modern human endeavor, Australia and Canada in spite of the urgency and pressure of their own development have a good record since the war.

### Australia's Development

Let me give some of the facts of Australian development in the past 10 years. The rate of economic development is to be measured by the level of investment, by the capacity and willingness of a country to pledge its present resources for increased capital equipment and productivity in the future. This is a familiar theme in Canada which has justly earned a reputation for courage and enterprise in the development of its resources in recent years.

Australia was less quick off the mark, but it has now caught up.

Here is the relationship of capital investment, both public and private, to gross product.

AUSTRALIA'S GROWTH
Fixed Investment and Gross Product
(£ million)

| | (a) Fixed investment | (b) Gross product | (a) as % of (b) |
|---|---|---|---|
| 1946-47 .... | 269 | 1,617 | 17 |
| 1947-48 .... | 335 | 2,019 | 18 |
| 1948-49 .... | 470 | 2,267 | 21 |
| 1949-50 .... | 666 | 2,724 | 24 |
| 1950-51 .... | 876 | 3,593 | 24 |
| 1951-52 .... | 1,124 | 3,841 | 29 |
| 1952-53 .... | 1,094 | 4,219 | 26 |
| 1953-54 .... | 1,117 | 4,507 | 27 |

This is a high rate of investment and the clearest of all possible indications of a rapidly expanding economy. Public investment is on the average about 35% of total investment. This is due to the fact that in Australia railway transport, port facilities, some of the shipping and air traffic, irrigation, development of electric power, some housing and much of the educational and health facilities are the responsibility of the Federal or State Governments, or of statutory authorities set up by these governments.

With a rapidly increasing population, public investment provides the framework in which private enterprise develops. It is a matter of degree as to the relative place of public and private investment in the development of the economy, and of social policy, but by tradition and circumstance public investment plays perhaps a larger part in Australia than it does in Canada and the United States, though in both these countries there is a larger element of public investment than the devotees of the Dixon-Yates contract would be prepared to admit.

Public enterprise is not the less enterprising because it is public enterprise. Indeed, there are powerful considerations to be adduced to show that it may be prepared to take greater long-term risks, and that it is essential if private enterprise is to flourish.

Australia is desperately short of water, and all the power and nurture that water can give. It is not surprising that its greatest single public development project should be a combined irrigation and hydro-electric scheme. This is the Snowy Mountains project which involves diverting the waters of the Snowy River, famous in Australian ballads, from the east slopes of the Alpine range under Mt. Kosciusko to flow eventually into the Murray River and come out to the sea 600 miles from the original mouth near the south-east corner of the continent. It is by far the most spectacular engineering feat Australia has attempted, and it requires the co-operation of the States of New South Wales and Victoria with the Commonwealth Government.

The scheme involves the diversion through the mountains of 2,000,000 acre-feet of water per annum, the erection of 17 power stations to produce a total of over 3,000,000 kw of electric power, the construction of over 400 miles of aqueducts and 85 miles of tunnels, and seven major dams at a total cost of approximately one billion dollars.

### Rural Industries

But the great wealth of Australia is still in its rural industries, notably wool and animal husbandry. In these older and more established industries significant advances have been made since the war, and the over-all output of primary industry is now 25% above the prewar level. It promises to expand as the new postwar scientific discoveries and improved farming methods, especially in treatment of pastures, yield their fruits.

One of the most promising of these developments is the discovery, after many years of research, of the deficiencies in certain soils, and how to treat them. There is an area stretching across the border of Victoria and South Australia, that bears the name of the Ninety-Mile Desert. Actually it had rainfall of 19 inches and was therefore not a desert at all, but it defied all attempts at cultivation or improvement, and went back to its native state with low scrub and sparse pastures, fit only to support one sheep to about eight acres.

The scientists of the Commonwealth Scientific and Research Organization discovered that the soil was deficient to a minor degree in certain "trace elements" which could be made good by the application of small doses of zinc and copper sulphate, plus rather more superphosphate fertilizer than would be applied normally.

This discovery was interesting enough in itself, but what followed was and is far more exciting.

The biggest insurance company in Australia is the Australian Mutual Provident Society, the A.M.P., as it is familiarly called. This company decided to take over part of the Ninety-Mile Desert, clear the land of the scrub, apply the necessary minerals and fertilizer, build houses and settle families in mixed farming. This is a new venture for an insurance company, involving a substantial measure of risk, but all the evidence is in favor of the enterprise. It will not only lead to the development of animal husbandry in the "desert" area, but it will be a pilot project, the lessons from which may have startling effects in increasing the productivity of many Australian dry lands. This again is a post-war development.

ANNOUNCEMENT

## NORTON APPOINTMENTS

GORDON E. McINTYRE EDWARD Y. TEACHMAN

The Board of Directors of the Norton Company of Canada Limited takes pleasure in announcing the appointment of Mr. Gordon E. McIntyre as Treasurer — to fill the vacancy caused by the resignation and retirement of Mr. William J. Magee; and the appointment of Mr. Edward Y. Teachman as a Director, to fill a vacancy on the Board.

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She'll quickly learn how little effort it takes to write a letter . . . to give you the best-typed letters you've ever signed.

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And your secretary will like those basic Underwood features that she knows so well . . . the familiarity of the machine she learned on at school . . . brought to a new high standard with the miracle of all electric performance. By all means try this new Underwood All Electric with all its proved reliability . . . on your own work, in your own office. No obligation, of course . . . but try it soon.

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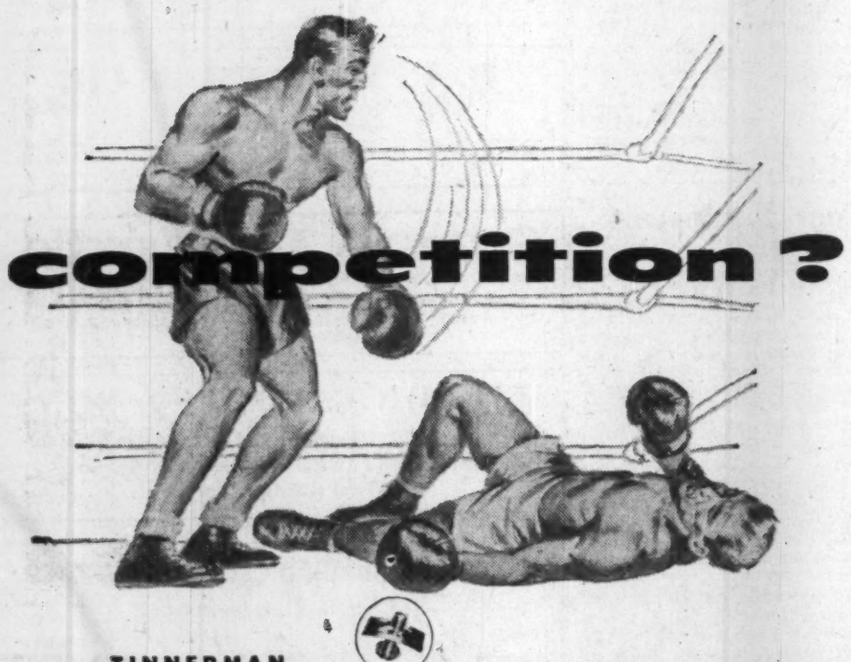
Typewriters—Carbon Paper, Ribbons and Supplies—Adding Figuring Machines—Accounting Machines—Punch Card Accounting—Electronic Computers.

COMPANY-OWNED BRANCHES AND SERVICE IN ALL CANADIAN CITIES

UNDERWOOD—TYPEWRITER LEADER OF THE WORLD—OUTSPEEDS—OUTWEARS—OUTSELLS THEM ALL






TINNERMAN *Speed Nuts* KNOCK OUT HIGH COSTS
Trade Mark Reg'd

**HOW ?** By eliminating certain excessive handling of materials, i.e. welding, riveting, clinching or staking, SPEED NUTS will give you immediate, enormous savings in your assembly costs.

**WHY ?** One manufacturer saved more than $4,000,000 annually by making use of many types of SPEED NUTS and SPEED CLIPS. There are more than 6000 types and sizes available.

**WHEN ?** Competition won't wait — phone or write us now for immediate results.

DEPARTMENT B, DOMINION FASTENERS LIMITED, HAMILTON, ONTARIO

MORE THAN 6000 TYPES AND SIZES

DOMINION FASTENERS LIMITED
*Exclusive Canadian Manufacturer and Licensee*
HAMILTON - ONTARIO
TORONTO - MONTREAL

## COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

### Hotels

**WINDSOR HOTEL LTD.** net profit for 1954 was $65,462, 30.7% higher than net for 1953 of $50,091.

Although net earnings showed an improvement over the previous year, says President J. Alderic Raymond, gross revenue for the year was lower. Result was made possible through operating on the most economical basis while giving adequate service, and curtailing the program of renovation, which is carried out, says the president, "as and when earnings permit." Buildings, plant and equipment, however, were properly maintained during the year.

INCOME ACCOUNT

| Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Net earnings | $315,462 | $254,091 |
| Less: Deprec. | 125,000 | 100,000 |
| Income taxes | 125,000 | 104,000 |
| Net profit | 65,462 | 50,091 |
| Less: Divds. | 41,194 | 49,194 |
| Surplus | 16,268 | 897 |
| Earnings per Share and Dividend Record: | | |
| Common | $0.67 | $0.51 |
| Paid | 0.50 | 0.50 |

CONDENSED BALANCE SHEET

| As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash | $1,060,117 | $774,398 |
| Accts. rec., less res. | 48,330 | 65,358 |
| Inventories | 135,202 | 191,562 |
| Total curr. assets | 1,243,649 | 1,031,318 |
| Misc. assets | 49,689 | 51,126 |
| Fixed assets | 1,861,957 | 1,982,291 |
| Total assets | 3,155,295 | 3,064,735 |
| Total curr. liab. | 213,383 | 139,726 |
| Capital stock | 2,439,573 | 2,439,573 |
| Surplus | 452,227 | 485,324 |
| †After depr. of | 4,441,908 | 4,316,908 |
| Working capital | 1,030,266 | 891,592 |

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# Will This Stop Highway Tragedies?

## *Bring Roads, Autos, Laws Up-To-Date, Ontario Told*

Ontario's Select Committee on Highway Safety recommends that:

### *Education*

—A province-wide planned course in highway safety be conducted in all primary and secondary schools as part of the physical and health education courses.

—Universities be encouraged to develop courses in highway safety education.

—The Department of Education establish a safety section in the physical and health education branch.

### *Administration*

—A Highway Safety Department be established, administered by a director with the rank and status of a deputy minister.

—A Standing Committee on Highway Safety be appointed at each regular session of the Legislature.

—A separate driver examination division be established under the director, with driver examiners as civil servants.

—A senior officer of the Ontario Provincial Police be given full responsibility for highway traffic control.

—A Highway Safety Advisory Council be established, composed of representatives of interested service organizations, to recommend highway safety programs.

### *Licensing*

—The Department publish a new manual on proper procedure, including questions and answers on highway traffic laws and rules of the road, to be used as a text for preparing applicants for drivers' licenses.

—An applicant for a license to drive a motor vehicle be required to pass a complete examination, designed to certify that he has reasonable eyesight, understands highway signs, possesses a thorough knowledge of the highway traffic laws and regulations and has the ability to drive safely.

—Within a period of 10 years from a date to be set by the Government all operators of motor vehicles be examined.

—Applicants be required to be examined in the zone in which they live.

—An applicant who has not been successful shall have the right to apply for re-examination.

—The present system of granting chauffeurs' licenses be discontinued and instead chauffeurs' licenses be graded into two types:

(a) For passenger cars and light trucks.
(b) For heavy vehicles (trucks, buses, etc.).

—An applicant for a license to operate a motorcycle be required to submit to a separate practical test on this vehicle and the license granted be distinct from a regular operator's license.

—All licenses granted to applicants under the age of 21 be considered probationary.

—An owner of a motor vehicle under the age of 21 should be required to file proof of financial responsibility before his vehicle is registered and a permit granted.

—The Department establish standards which must be met before a bus can be designated as a school bus. A school bus to be painted yellow and clearly marked, carrying appropriate signaling devices.

—The operator of a school bus should pass a special examination.

### *Enforcement*

—The Highway Traffic Act be amended to give a magistrate discretion to order an operator convicted of an offense to attend a traffic school before judgment is final.

—For any conviction under the Highway Traffic Act, the magistrate be given the discretion of suspending the license of an operator holding a probationary permit until he's 21.

—The magistrate be given the discretion to direct any person who appears before him to submit to a re-examination.

—The Department investigate the demerit point system.

**Tangled wreckage by the roadside . . . grim policemen . . . tears . . . these are the outward symbols of a highway accident. But in Ontario alone in 1953 auto accidents caused $24 millions in property damage. Including personal expenses the accident bill would have been $90 millions. Last year the Ontario Government appointed a select committee to find out how to reduce accidents. The committee has submitted its recommendations, which will be of interest to governments, businesses and motorists coast-to-coast. This is a digest.**

—The individual operator and not the owner, whenever possible, should be charged with the offense.

—The police, both municipal and provincial, intensify periodic spot checks of vehicles and drivers, investigating the mechanical condition of the motor vehicle and checking driver performance.

—Any used car offered for sale should be required to carry a certificate of roadability and mechanical fitness.

—A system of uniform, numbered traffic tickets be developed for the use of all law enforcement agencies in Ontario.

—The Department investigate the use of flashing red warning signals with a view that they be reserved for approved emergency vehicles. Other vehicles to carry an amber flashing warning signal.

### *The Law*

—The Act be amended to require that: "An operator of a vehicle on a highway outside of a business or residence district, upon overtaking a school bus which has stopped on the highway to receive or discharge passengers, shall be required to stop and shall not proceed until the school bus resumes motion or until signaled by the driver to proceed.

—A section be added to the Act to forbid vehicles being driven on the left side of the road under these conditions:

(1) When approaching the crest of a grade or on a curve.
(2) When approaching within 100 ft. of or crossing any intersection or grade crossing.
(3) When the view is obstructed on approaching within 100 ft. of any bridge, viaduct or tunnel.

—A new provision be added, requiring pedestrians to walk facing traffic.

—A section be added to require that "no person shall drive any motor vehicle with any sign, poster or other non-transparent material, or objects, upon the front windshield, side wings or side or rear windows of such vehicle which obstruct the driver's view of the highway or any intersecting highway . . ."

—Bicycles shall carry white reflective material on the front forks and red reflective material on the rear fender.

—An amendment covering "through" highways, ordering drivers to stop immediately before entering a through highway. Drivers then should proceed with caution.

This would modify the old right-of-way rule, because a vehicle entering a through highway must stop and proceed with caution even though on the right of approaching traffic.

—All rear lights on vehicles should be clearly visible for at least 500 ft. At present the Act requires a visibility distance of 500 ft. for some rear lights, but only 200 ft. for others.

—Overtaking and passing on the right be permitted on a highway divided into three or more marked lanes, or where the highway is free from obstruction and parked vehicles to permit two or more lanes of moving traffic.

—The Minister be given the power to establish speed zones and speed limits, considering the type of road and volume of traffic. He should be given discretion to reduce the speed limit when visibility and weather conditions merit.

This may require grading the various roads and setting a limit for each grade. Speed zones should be clearly posted and variations in speed zones on one road kept to a minimum. Too many changes in speed confuse a driver and defeat the purpose of speed zoning.

—Drivers about to enter or cross a highway from a private road or driveway should yield the right-of-way to all vehicles approaching on the highway.

### *The Vehicle*

—A Safety Section in the Department of Highway Safety be empowered to employ engineering experts to test automotive equipment from a safety viewpoint.

These experts should investigate:

—Brakes and the second braking system.

—Safety belts in autos.

—Standards to prohibit projections and projecting ornaments which would be dangerous in a collision, yet not functional.

—Reflective materials front and rear.

—All new motor vehicles, beginning Jan. 1, 1956, should be equipped with mechanical signaling devices clearly visible both front and rear.

### *The Highway*

—Where two through highways intersect, a traffic circle should be constructed.

—The Department of Highways should post sufficient warning signs to prepare motorists for a stop intersection on any highway.

—A thorough investigation by the Highways Department and municipal authorities into the advisability of the yield right-of-way sign in place of the stop sign at specified intersections. Too frequent use of the stop sign detracts from its effectiveness as a traffic control device.

—The Department of Highways should construct, where practicable, a "crawler strip" on the right of an up-grade, to provide an opportunity for slow-moving vehicles to pull off to the right in safety and permit following traffic to pass.

—In the case of heavily traveled arteries, extra lanes should be added:

—Deceleration lane on the right before stop intersections, and an acceleration lane beyond the intersection, for heavy vehicles.

—Acceleration lane on the right for traffic entering from an intersecting road.

—Deceleration lane on the left of a dual lane highway to facilitate left turns.

—Floodlighting signs designating railway crossings should be studied.

Railway signs should be reflectorized and visible on each side of the tracks. Suitable markings should be painted on the highway at least 1,000 ft. in advance of the crossing.

—The Department of Highways should reconsider all road signs with a view to establishing uniform standards. Warning signs, stop signs and markings at dangerous locations should be reflectorized.

—The Highways Department should investigate the minimum width standard for all newly constructed and rebuilt highways.

—Adequate shoulders should be built to permit cars and trucks to pull off the road when in difficulty. Buses should use the shoulders to pick up and discharge passengers and not stop on the roadway.

—Hazardous traffic conditions exist on pavements less than 22 ft. wide. Highway engineers say a 24-ft. pavement is required.

—The solid white line prohibiting passing should be drawn wherever visibility is less than 1,000 ft. All present markings should meet this standard.

### *Other Suggestions*

—Railway cars should be lighted or carry reflective materials.

—A complete survey should be made to determine how effective either mechanical inspection of cars by the province or by a system of privately operated stations would be in reducing accidents in Ontario.

—All municipalities, wherever practicable, should establish clearly marked crosswalks for pedestrians.

—The automotive and oil industries should avoid advertising designed to impress speed and power on the public. Such advertising encourages the driver to test published claims.

—Officials should study the length and breadth of commercial vehicles using the highways, and the weight loads of tractor-trailers.

—More emphasis should be placed on the marking of hard-top country roads.

# *Nine-Point Plan For Lumber To Meet Substitutes Threat*

MONTREAL (Staff) — A nine-point program for Canada's lumber industry to protect markets, strengthen its position against fierce competition from other materials, was put forward here this week at the 47th annual meeting of the Canadian Lumbermen's Association.

It came from President K. O. Roos. He suggested:

—Each provincial government in Eastern Canada prepare and issue an authoritative report on the available supply of each sawlog species in their province.

—A broad program of research on the economic aspects of the industry be carried out by federal and provincial research agencies, in co-operation with the industry.

—Provincial and federal governments and the pulp and paper industries agree on some co-ordinated program of forest access roads.

—Pulp and paper and lumber industries get together to solve the various problems connected with the use of sawmill waste in the production of pulp.

—Manufacturers of lumber should prepare a handbook of logging to assist logging operations.

—Federal government undertake an expansion in the work of the forest products laboratories on the utilization of wood and wood products.

—Lumbering and manufacturing groups carry out a comprehensive survey of lumber markets.

—Based on information gathered in the market survey, the whole lumber trade embark on an organized, co-ordinated campaign of trade promotion.

—Retails groups organize and make available to their salesmen a comprehensive training course on lumber and lumber products.

**While There's Time**

W. J. Leclair, manager of the association, said while there is time the Canadian lumber trade should put its house in order, face up to the stark realism of "ruthless competition."

He said the great weakness in the Canadian market is the competition of substitutes and the pitifully small amount of money available for promotion. This weakness could be removed if the trade in general would only awaken to the need.

"As a building material, among all materials in the world, wood is best by test. But the manufacturers of competing products are spending millions of dollars telling the world about their substitutes for wood while we spend a miserable fraction of that amount."

However, he held an optimistic view of future prospects, believed potentials for lumber sales were never better.

In U.K. trade, shipping rather than lack of demand appeared to be the only bottleneck. With relaxation in restrictions on hardwood imports, Canada may expect a resumption of this temporarily interrupted trade.

In the U.S., he believed there would continue to be heavy buying in 1955.

In Canada, there is a large carryover of starts in housing, and no evidence of satiation of housing needs.

He said 1954 was a banner year in lumber trade history although it was a year of readjustment. However, trade as a whole has boomed without any run-away hardening of prices.

**Home Market Warning**

Jean Lesage, minister of Northern Affairs and National Resources, expressed optimism about long-term trends on export lumber markets but coupled this with a warning about the domestic market.

He said lumbermen must be alert and ingenious if they are not to lose their relative place in the home market.

He said changes in building habits and techniques, together with technological advances in other fields have had a very marked effect on the use of lumber. In fact, although lumber production has increased, it has lost a great deal of ground in its best field — the building trades.

Competition from other materials bids fair to become more intense in the future. Furthermore, wood is losing its former position in many manufacturing industries.

"I believe that a thorough analysis of present practices and trends can lead to whatever changes may be necessary to retain present markets and to recapture — at least in part — some that have been lost."

## New Equipment For Better Rail Service

MONTREAL (Staff)—A faster Eastern Township rail service in Quebec, more comfort for diners on the transcontinental run—it's part of the railway campaign for better operational efficiency, more passenger and freight dollars.

Last week, on the Eastern Township service, CNR introduced a lightweight, self-propelled diesel car, known as the railiner. Effective April 24, coincident with timetable change, it will operate on new, fast schedules.

The railiner was built by Budd Co. of Philadelphia, is a combination passenger and baggage car to replace steam trains. It seats 70 passengers, carries five tons of baggage, is stainless steel constructed, has a top speed of 85 miles per hour. It also offers refrigerated drinking water, fluorescent lighting, wide seats

About the same time, CPR came away with a new-type dining car—first of 18 for The Canadian on transcontinental service. It also comes from Budd Co., and is called "Annapolis" after the famous room in Digby Pines Hotel. The other cars will also carry the names of notable CPR hotel rooms.

In the past week, CNR also announced new orders for 38 diesel electric road switching locomotives for Canadian lines. Value of the orders is about $5.5 millions and will bring the number of diesels in CNR service to 721.

The orders were awarded to Canadian Locomotive Co. at Kingston for ten 1,200-hp. diesels; the Montreal Locomotive Works, Montreal, for five 1,000-hp. diesels; and General Motors Diesel Ltd., London, for twenty-three 1,200-hp. switchers.

## Halifax TV Gets New Home

MONTREAL (Staff)—Work on the permanent home of Halifax's television station, CBHT, has begun.

It will be a modern TV station and office building, to replace temporary quarters now occupied by CBHT in the old College School Building. Contract for construction of the two-story, L-shaped building was awarded Foundation Maritime Ltd.

The building will be of concrete block, brick and stone walls over a steel framework. It will have a full basement, fully-equipped two-camera, 40 by 60 ft. studio, space for offices and technical services.


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# Selected Growth Stocks — Quarterly Review — By NESTOR

**The Financial Post's exclusive series of Selected Growth Stocks was chosen by one of the continent's most prominent and successful investment advisers. The reasons for choice shown below the accompanying charts were those given when stocks were chosen in January, 1953. Each will be reviewed quarterly. Publication of this series in The Post does not constitute a recommendation to buy these stocks.**

## M-H-F

Massey-Harris-Ferguson common trading recently around $9½, 58% above its UV level. Would have to rise 100% before reaching its OV level. Price is 12½ times '54 fiscal year earnings, and provides 6.3% yield. Price range in 1954-55, $10⅛-$7⅞.

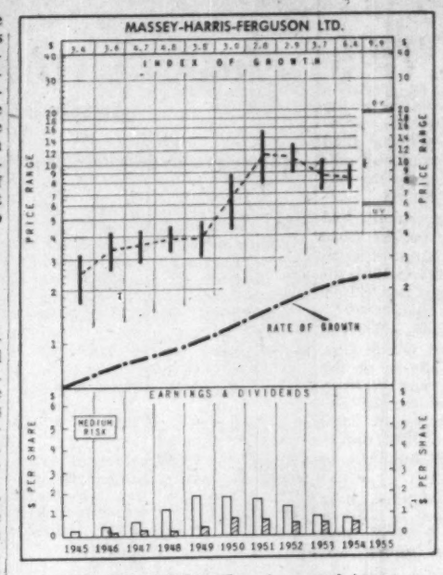
Earnings per share for year ended Oct. 31, amounted to 76c compared with 96c the previous year. North American and U. K. sales dropped 9% to $297 millions from comparable '53 level (including Ferguson group). A 7.6% increase in U. K. subsidiaries' sales helped offset decline in North America, where regular sales were off 17.5% (15% if defense work included).

Export sales from North America did improve 66% with more favorable export climate. Sales of subsidiaries not consolidated increased 15%, the French company being the main factor.

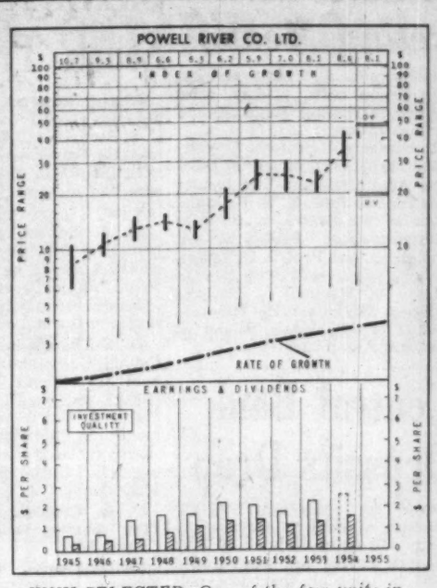
Earnings figures for year just ended include U. K. accounts. Formerly these were included only to extent of dividends received. Excluding Ferguson companies, earnings were $7,730,000 compared with the $7,194,814 actually shown including Ferguson group.

Proceeds of $25 million issue of 4½% cumulative convertible preferred stock just sold will provide additional working capital. Company expects to make substantial capital expenditures to extend plant facilities, partly to further integrate manufacture of Ferguson products into company factories and also for modernization.

Company sees continued buoyant business for U. K. subsidiaries, some modest improvement in U. S. demand, possibility of better conditions in Canada if wheat exports increase this year as expected. U. S. defense contract will be completed early this year, however (total defense business has been running $43-$45 millions a year in past three years).




*WHY SELECTED: Trend toward increasing farm mechanization, along with this company's world-wide dealer organization, the addition of new devices and improvement of old ones by its active and able research staff, suggest continued leadership and sales growth for Massey-Harris (now Massey-Harris-Ferguson). Per share earnings increased 433% between 1937 and 1947, 66% 1947-51.*




*WHY SELECTED: One of the few units in the industry able to report net profits through the depressed 'thirties, Powell River Co., a major west coast producer of newsprint and sulphite pulp, has demonstrated the ability of its management and the efficiency of its operating methods and should continue to share in the growing demand for the products supplied by it. Per share earnings increased 303% between 1937 and 1947, 54% 1947-51.*

### How To Read the Stock Charts

**INDEX OF GROWTH:** The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

**PRICE RANGE:** The annual high, low and mean price. Monthly ranges for the current year.

**UNDERVALUATION AND OVER-VALUATION PRICE LEVELS:** Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast-growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV, and OV levels, a current quotation of say, 55 or 75 would carry no significance regarding long-range value. The UV-OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale, nor do they attempt to show what will be a stock's bottom or top figure in any given year.

**RATE OF GROWTH:** The rate as based on Nestor's tests, at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years, and in most instances the trend of dividend payments.

*Background and principles behind the selection by Nestor were discussed in a special article in The Financial Post, Jan. 10, 1953. A limited number of reprints are available on request.*

## Powell River

Powell River common selling recently around $42 a share, 110% above its UV level. Rise of 12% would carry it to OV level. Price equals 18.1 times '53 earnings, and yields 3.81% on basis of $1.60 a share paid in '54. Price range 1954-55, $44-$26⅛.

Newsprint output in '54 was up 15% at 379,000 tons and similar output expected in '55. Further expansion planned, however

Immediate work concerns improvements to existing equipment this year which will raise 1956 output to an estimated 410,000. Cost is put at $1 million.

This works out to only $10,000 a daily ton for the extra capacity, about one tenth cost of new construction. While this is probably a bit low because some of the additional output probably will come from improvements made last year but in operation only part of the year, it illustrates the advantages of improving present machines over building new mills from scratch.

Other big Powell River project under consideration is Kitimat Pulp and Paper Co., jointly owned with Aluminum Co. of Canada. New firm has been granted conditional forest management license in Kitimat area of British-Columbia by Provincial Government. Surveys of forest areas will be started this year and completed in '56, then submitted along with management plan to Government. Cost is estimated at $65 millions if it goes ahead.

Strong demand for newsprint. Better pulp and lumber prices believed to have benefited earnings in recent months, as with other west coast firms. Prospects appear good for continued high level of operation this year.

# Company Reports

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Insurance

**LONDON LIFE INSURANCE CO.,** London, Ont., issued a record $391,805,164 of life insurance in 1954, up 5.4% from the 1953 total of $371,854,347. New life insurance issued included $309.9 millions ($284.3 millions in 1953) ordinary, $49.6 ($50.2) millions industrial, and $32.3 ($37.3) millions group.

"The gain in life insurance in force, after deduction of all reinsurance ceded and with no credit for annuities, brought our over-all total in force to $3,025 millions," reports Robert H. Reid, executive vice-president and managing director.

"The year's increase of $243 millions was below that of the previous year for the first time in a decade. This result was due almost entirely to a decrease in coverage in a number of our larger group life cases, particularly those insuring installment purchases in the form of creditors' insurance, which had shown a wide expansion a year earlier."

In its sickness and accident branch, London Life wrote $1,159,565 ($1,342,955) in new annual premiums. Premiums payments received in this branch amounted to $9,022,143 ($7,836,856).

Mortality experience in 1954 was second lowest in company history, said Mr. Reid. Rate on industrial business was again lower than on ordinary.

London Life's mortgage portfolio increased by $40 millions in 1954, bringing year-end total mortgage investment to more than $221 millions, or 47% of all investments.

Mortgage loans opened during the year exceeded $62 millions, although cash advances were $55 millions. Some 90% of this amount financed new residential construction.

Security purchases in 1954 approximated $10 millions, while $16 millions in Canada bonds were liquidated, reducing such holdings to less than $100 millions.

Interest rate on all new investments in 1954 was slightly less than 5.5%. Net rate of over-all interest was 4.05% (3.98%).

Payments in death claims, matured endowments, policy dividends and surrender values, or set aside for policyholders and beneficiaries, totaled more than $60 millions, an increase of $5,250,000 over 1953.

Policy dividends for 1955 will be on a higher scale, President Joseph Jeffery said at the annual meeting. Policy plans being introduced this year include a new class of $10,000 and over in the Jubilee life series at lower premium rates. The low cost Jubilee group will now include endowments. A new income disability benefit will provide for waiver of premiums and income in case of disabilities commencing up to age 60 for men and 55 for women.

"In certain quarters strenuous efforts are being put forth to convince the public that life insurance companies are completely opposed to the sale of term insurance," said Mr. Reid.

"This is far from being the case. Our past experience supports our belief that basic life insurance policies on a permanent level premium basis are by far the most satisfactory form of coverage for the vast majority of our policyholders.

"However, in many individual situations, particularly among the younger married group, initial term insurance may be highly desirable with the expectation of conversion to a permanent plan when increased income warrants. Supplementary term contracts providing additional income or protection till children reach maturity, also serve an excellent purpose.

"In the case of our own company and including such supplementary benefits nearly 30 of our new ordinary and industrial business in the past year consisted of term insurance in various forms."

| | 1954 | 1953 |
|---|---|---|
| | —$000— | |
| Insurance in force .. | 3,025,140 | 2,781,749 |
| New insurance ..... | 391,805 | 371,854 |
| Total income ..... | 86,915 | 74,744 |
| Premiums ..... | 63,096 | 59,314 |
| Invest. inc. ..... | 20,133 | 15,072 |
| Other ..... | 3,686 | 358 |
| Policy payments .... | 33,227 | 29,671 |
| Incr. in pol. reserves | 27,012 | 23,889 |
| Shareholders' credits | 313 | 462 |
| Exps. and approps. . | 22,736 | 17,439 |
| Added to surplus .... | 3,027 | 1,233 |
| Liabs to pol'hciders incl. actuarial res. | 416,065 | 390,373 |
| Liabs. to shareholders | 1,294 | 1,181 |
| Staff pens. fund, etc. | 13,095 | 16,333 |
| Other liabs. ..... | 10,386 | 10,159 |
| Total assets ..... | 476,758 | 447,498 |
| Special reserves .... | 11,500 | 13,000 |
| Surplus ..... | 19,478 | 16,432 |
| Net interest earned .. | 4.05% | 3.98% |

## Floor Covering

**DOMINION OILCLOTH & LINOLEUM CO.** net profit for the year ended Oct. 31, 1954, was $1,889,487, 0.7% higher than net for the previous year of $1,875,631.

Competition from the U. S. and the U. K. continued to be severe, says President Ken B. Robertson, and the company's sales force was increased to cope with it. Dollar and volume sales began slowly, but caught up and passed the previous year's total to finish slightly ahead.

Major capital expenditure was for completion of two new drying stoves, considerably increasing the potential production of several types of linoleum. Work is in progress to enlarge capacity and to add at least one new product to the range.

Labor agreement was reached with the National Syndicate of Linoleum Workers of Montreal. Employees of Dominion Oilcloth & Linoleum Co. and Barry & Staines Linoleum (Canada) Ltd. who were called out on strike in November, 1954, went back to work early this month.

**INCOME ACCOUNT**

| Years Ended Oct. 31: | 1954 | 1953 |
|---|---|---|
| Net earnings ..... | $3,079,176 | $3,071,674 |
| Less: Deprec. ..... | 284,442 | 285,642 |
| Income taxes ..... | 905,247 | 910,401 |
| Net profit ..... | 1,889,487 | 1,875,631 |
| Less: Com. divds. .... | 1,520,000 | 1,520,000 |
| Def. divds. prov. .... | ..... | ..... |
| Surplus for year .... | 369,487 | 355,631 |
| Earnings per Share and Dividend Record: | | |
| Common ..... | $2.49 | $2.47 |
| Paid ..... | 1.60+0.40 | 1.60+0.40 |
| Extra ..... | .... | $0.20 |
| Deferred ..... | ..... | ..... |
| Paid ..... | .... | $0.20 |

†Extra divd. paid in Jan. out of previous year's earnings; deducted through surplus.

**CONDENSED BALANCE SHEET**

| As at Oct. 31: | 1954 | 1953 |
|---|---|---|
| Cash ..... | $720,930 | $450,594 |
| Invest. ..... | 99,866 | ..... |
| Accts. rec. ..... | 1,356,924 | 1,529,196 |
| Inventories ..... | 3,463,191 | 3,355,814 |
| Total curr. assets .. | 5,649,931 | 5,340,604 |
| Subs., etc., invests. .. | 4,021,019 | 4,022,167 |
| Other invests.* ..... | 2,975,921 | 2,871,444 |
| Misc. assets ..... | 32,946 | 33,326 |
| Fixed assets* ..... | 3,096,595 | 3,024,648 |
| Total assets ..... | 15,776,412 | 15,292,189 |
| Total curr. liab. .... | 1,185,974 | 1,145,903 |
| Insurance reserve .... | 1,000,000 | 1,000,000 |
| Capital stock ..... | 6,400,000 | 6,400,000 |
| Capital surplus ..... | 1,048,827 | 973,261 |
| Earned surplus ..... | 6,142,511 | 5,772,025 |
| *After depr. of .... | 5,232,421 | 4,976,820 |
| *Approx. mkt. val. . | 4,077,348 | 3,473,388 |
| Working capital ..... | 4,464,857 | 4,194,701 |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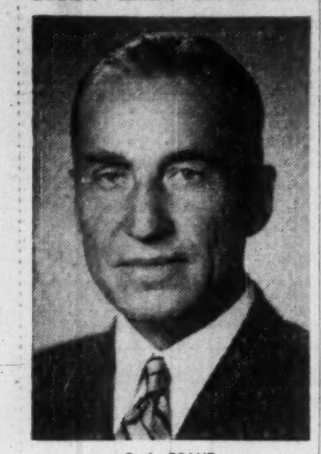

G. A. GRANT

whose appointment as Vice-President of Canada Cement Company Limited has been announced by J. M. Breen, President, effective immediately. Mr. Grant remains General Sales Manager, a post to which he was promoted in July 1949.

# *Course For Ad & Sales Men Will Study Marketing Means*

A marketing management course which began back in 1953 with a series of weekend meetings on an experimental basis will become a regular summer program at the University of Western Ontario.

This year's course will be held May 16 to May 27. Open to marketing men across Canada, it is aimed at improving the performance of executives in sales and advertising management positions. Special attention will be placed on market research.

The course was started two years ago in co-operation with Montreal Advertising and Sales Executives Club. Last year it moved from its original location at Huntingdon, Que., to the Western campus. Fifty took the course at that time.

The problem of blending advertising with personal selling and sales promotion will be one of the featured studies this year. Other problems to be studied will include selection, training and compensation of the sales force, product policies, credit policies, distribution costs, pricing, sales quotas, marketing research and administration.

In charge will be John J. Wettlaufer, assistant professor of Business Administration. The faculty will include Prof. F. W. P. Jones, Dean of the School of Business Administration; Prof. W. A. Thompson, and Prof. J. C. Taylor. Visiting professors will be Dr. Martin V. Marshall of Harvard Business School and Dr. Maynard Phelps of Michigan's School of Business Administration.

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COMPANY OF CANADA

From the Company's 1954

ANNUAL REPORT

SUMMARY OF LEADING FEATURES

(For year ended December 31st, 1954)

| | |
|---|---|
| Premium and Annuity Income | $ 3,452,011 |
| Interest, Dividends and Rents | 1,189,634 |
| Total Income | 4,955,669 |
| Payments made or credited to Policyholders and Beneficiaries | 3,325,420 |
| Policy Reserves | 23,982,227 |
| Total Assets | 27,704,270 |
| New Insurance Issued | 22,263,876 |
| Insurance in Force | 143,297,518 |

RATE OF GROWTH IN LAST 10 YEARS

| | 1944 | 1954 |
|---|---|---|
| New Insurance Issued | $ 9,333,571 | $ 22,263,876 |
| Insurance in Force | 52,578,007 | 143,297,518 |
| Policy Reserves | 9,496,099 | 23,982,227 |
| Total Assets | 11,320,690 | 27,704,270 |
| Unassigned Surplus | 227,807 | 820,723 |

WILLIAM WHYTE, President — H. M. MEIKLEJOHN, Managing Director

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WILLIAM WHYTE, President; PETER D. CURRY, Vice-President; JOHN W. HORN; ROY W. MILNER; C. D. GRAYSON, Q.C.; STANLEY N. JONES; CLARENCE D. SHEPARD, Q.C.; H. M. MEIKLEJOHN, Managing Director

A complete report for 1954 will be sent upon request.

THE SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE — WINNIPEG, CANADA

# Central Bank Deposits Drop

Canadian chartered banks' holdings of Bank of Canada deposits and notes declined by $102 millions during the week ended Feb. 2. Total on that date was $767 millions, according to preliminary estimates by the Bank of Canada.

The reduction is thought to be due to open-market selling of securities by the central bank designed to offset the highly liquid cash position in which the chartered banks find themselves. In turn, this is due to lower demand for loans.

A month-end boost in personal savings brought the total to $5,313 millions at Feb. 2, from $5,257 millions a week earlier. Other deposits rose by $17 millions to $4,126 millions.

Advances made by the chartered banks under insured residential mortgages were approximately $1 million, lowest weekly total in some months. At Feb. 2, total outstanding was $87 millions; bank commitments under NHA-insured mortgages would be two or three times this amount.

Here are the Bank of Canada's preliminary estimates of chartered bank assets and liabilities at Feb. 2, with changes from a week earlier and a year earlier:

| | As at Feb. 2/55 | Change from Jan. 26/55 | Change from Feb. 3/54 |
|---|---|---|---|
| | (millions of dollars) | | |
| **Assets:** | | | |
| Bank of Canada Dep. & Notes | 767 | −102 | −128 |
| Day-to-Day Loans | 41 | +5 | +41 |
| Gov. of Can. Securities | | | |
| Treas. Bills | 469 | +34 | +196 |
| All other | 3,062 | +50 | +484 |
| Total | 3,531 | +84 | +680 |
| Other Cdn. Securities | | | |
| Provincial | 270 | +3 | +2 |
| Municipal | 176 | +2 | +25 |
| Corporate | 367 | +10 | +27 |
| Total | 813 | +15 | +54 |
| Insured Residential Mortgages | 87 | +1 | +87 |
| Loans in Canada (ex. day-to-day) | | | |
| Call & Short | 123 | +5 | −103 |
| Provincial | 53 | −5 | +9 |
| Municipal | 105 | +3 | +2 |
| Grain | 406 | −2 | −15 |
| Can. Sav. Bds. | 126 | −4 | −16 |
| All other | 3,216 | +10 | −33 |
| Total | 4,030 | +8 | −154 |
| **Liabilities:** | | | |
| Canadian Deposits | | | |
| Personal Sav'gs | 5,313 | +56 | +474 |
| All other | 4,126 | +17 | +49 |
| Total | 9,439 | +73 | +523 |
| **Average Cash Reserves:** | Feb. 1-2 '55 | Jan. '55 | Feb. '54 |
| Cash Reserves | 832 | 847 | 894 |
| Ratio to Cdn. Deposit Liabilities | 8.9% | 8.9% | 10.0% |

# Texaco's Gas Processing Plant Now Operating

Initial processing of natural gas from Texaco Exploration Co.'s new $7 million gas absorption plant in Bonnie Glen field in Alberta is now under way.

The plant, located some 23 miles west of Millet, is designed to process 20 million cu. ft. of natural gas a day, producing natural gasoline, propane and butane. Gas is obtained from Wizard Lake, Bonnie Glen and Pigeon Lake fields and is processed by the absorption plant before being transported by pipeline for commercial fuel consumption.

# S.E.C. Reports Stock Trading

Among changes in security holdings recently reported by the U. S. Securities & Exchange Commission, covering reports filed with the S.E.C. by company officers and directors, were the following:

**M. J. Boylen,** president and managing director, bought 8,000 common shares of Anacon Lead Mines Ltd. in December, 1954, increasing his holdings to 302,000 shares at the end of the period.

**O. R. Edmonds,** an officer of Calvan Consolidated Oil & Gas, held 215 common shares at the end of the month, and Walwyn Fisher & Co. in which Mr. Edmonds is interested, sold 3,800 shares in December, 1954, reducing the month-end holdings to 3,200 shares.

**F. R. Graham,** director, held 4,001 common shares of Calvan Consolidated Oil & Gas, and Graymont Ltd., in which Mr. Graham is interested, sold 50,000 shares in December, 1954, reducing the holdings of the company to 53,000 shares.

**J. P. Walwyn,** director, indirect owner through Walwyn, Fisher & Co., held 2,001 shares of Calvan Consolidated Oil & Gas at the end of the period.

**J. G. Campbell,** an officer of Canadian Breweries Ltd., bought 1,518 common shares of the company in December, 1954, on conversion, and at the end if the period held 6,518 shares. On the same date, Mr. Campbell converted $34,500 4½% convertible debentures, reducing his debenture holdings to nil.

**B. O. Jones,** president, bought 624 common shares of Canadian Homestead Oils in June, 1954, bringing his total holdings to 51,236 at the end of the period.

**Camille Dreyfus,** director, gave 3,185 common shares of Celanese Corp. of America in a gift in December, 1954, and at the same time sold 200 common shares, reducing his holdings to 597,193 shares at the end of the month.

**Charles C. Parlin,** director, bought 100 common shares of Celanese Corp. of America in December, 1954, bringing his holdings of the company to 1,500 shares at the month-end.

**Alexander R. Heron,** vice-president, bought 1,000 common shares of Crown Zellerbach Corp. in December, 1954, increasing his holdings to 3,400 at the end of the period.

**William A. Rockefeller,** director, sold 5,000 common shares of Federated Petroleums in December, 1954, and at the end of the month held 2,000 shares.

**Ellis D. Slater,** director, sold 300 common shares of Distillers Corp.-Seagrams Ltd. in December, 1954, reducing his holdings at the end of the month to 10,400 shares.

**Ellsworth C. Alvord,** director, held 537 common shares of General Dynamics Corp. at the end of the month; a holding company in which Mr. Alvord is interested acquired 4,331 common shares by exchange or conversion in November, 1954, increasing its holdings to 4,856 shares at the month-end; a trust in which Mr. Alvord is also interested, again by exchange or conversion, acquired 1,260 shares of General Dynamics, and held 3,360 shares at the end of the period.

**S. P. King,** an officer of the company, bought 200 common shares of Merrill Petroleums Ltd. in December, 1954, bringing his holdings to 700 shares at the month-end.

**Theodore R. Colborn,** director, bought 200 common shares of Scurry-Rainbow Oil Ltd. in December, 1954, and brought his total holdings to 200 shares at the month-end.

**John Clifford Folger,** a director of Hiram Walker-Gooderham & Worts Ltd., held 1,200 common shares at the end of the latest month; Piedmont Mtg. Co., in which Mr. Folger is interested, bought 1,500 shares in July, 1953, and now hold 8,000 shares; W. B. Hibbs & Co., in which Mr. Folger is also interested, holds 1,800 shares and Mrs. Folger holds 3,000 shares at the end of the period.

## BOOKS FOR BUSINESSMEN

**COMMUNITY PLANNING REVIEW, Volume IV, 1954. Community Planning Association, Ottawa; 115 pp.; $2.**

This volume is in magazine form, but it is stated to be the most comprehensive volume so far available on town and regional planning in Canada. Articles include case histories of Canadian planning, authoritative discussions of education and role of the professional planner, how to develop community interest in planning, the church in community planning, metropolitan problems, "new towns," regional planning in Canada, progress notes on leading big cities. There are numerous illustrations.

## Staff Changes

**Chartered banks announce the following staff changes:**

**Nova Scotia:**

R. D. JACOBS, to be accountant, James St. & Brucedale, Hamilton.

E. J. MacPHEE, to be accountant, Alexandria, Ont.

W. E. VAN WART, to be accountant, Hantsport, N.S.

• • •

**Commerce:**

J. D. SIMPSON, accountant, Montreal, to be agent, New York.

R. B. WATSON, manager, Bank Street, Ottawa, to be assistant vice-president, San Francisco, Calif.

H. L. WEBB, assistant inspector, head office, to be inspector, regional office, Toronto.

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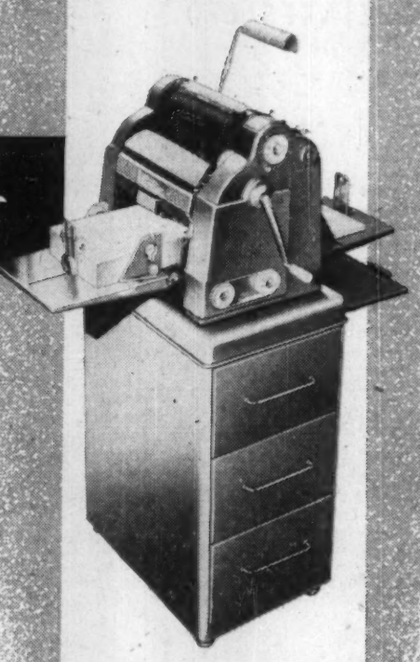

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Due to appear next autumn, his book, "The Struggle for the Border" (Longmans Green), is the dramatic and colorful saga of the long frontier that welds the U. S. and Canada.

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ANNOUNCEMENT

JOHN S. ENTWISTLE, C.P.A.

At their recent annual meeting in Toronto, The Public Accountants Council for the Province of Ontario elected their new President, John S. Entwistle, C.P.A., of Toronto, who succeeded A. S. Merrikin, F.C.A., of Ottawa. Other officers elected were: — Vice-President — J. G. Brown, F.C.A., of Kitchener; Secretary — H. J. Cornish, C.P.A., London; Treasurer — W. J. Ayers, F.C.A., Toronto.

Other members of the Council are: Ralph Davies, F.A.S.A., Guelph; W. P. Fazackerley, Windsor-Walkerville; C. K. MacGillivray, F.C.A., Hamilton; D. F. McKechnie, C.P.A., Ottawa; W. I. Hetherington, F.C.A., W. L. McDonald, F.C.A., S. A. Norman, C.P.A., E. A. Seburn, C.P.A., Guy Smith, F.C.A., and J. A. Wilson, F.C.A., of Toronto.

The licensees of the Council are made up of 995 Chartered Accountants, 319 Certified Public Accountants and 867 others.

Reciprocal arrangements are in effect with other Provinces in Canada and with certain States across the border. Non-residents practising public accountancy in Ontario are now required to register with the Council.

# LETTER FROM LONDON

**By Adelphi**

LONDON—Not even the most blasé Londoner could argue that this has been a dull week. It began with Mr. St. Laurent being made a Freeman of the City of London, with the noises of Formosa as a faraway background. Then came the resignation of Malenkov and finally the British Parliament once more debated whether or not the death penalty should be suspended for five years.

And since the weather is always an absorbing matter to the British allow me to inform you that the sun continues to shine warmly on saints and sinners, Tories and Socialists, on Bulls and Bears.

The St. Laurent episode was a grand affair. Your Prime Minister made a deep impression with his humor, his sagacity and his unpompous dignity. In fact the ancient City of London was delighted to honor him and, therefore, Canada.

* * *

***Fears For Malenkov, Germany, France***

I cannot say, however, that M. Malenkov's resignation caused any joy to us. At the moment of writing he appears to be in good health but there is a feeling that some of these days he will be stricken with a mysterious illness and will be buried with full honors near Lenin and Stalin.

The sentimentalists here are blaming Churchill and his Government for not having co-existed with him as cordially as they should have done. They say that Malenkov was a moderate and that we did not sufficiently support him or embrace him or encourage him.

It may be true. At any rate the Stock Exchange was perturbed and a lot of recent gains were promptly wiped out.

* * *

The "Don't Arm Western Germany" enthusiasts are shouting that we should, even at this late hour, reverse our policy and leave Western Germany as an unarmed centre in Europe protected by Allied troops and a few guns and some airplanes. However, Churchill and Eden have closed their ears, like Ulysses, to these siren voices. For better or for worse the West Germans are going to be equipped with arms so that they can defend themselves.

Meanwhile La Belle France spreads dismay and discouragement upon the western world. She has made a remarkable financial recovery but her Parliament continues to be the despair of decent men.

If M. Mendès-France had been thrown out on some vast issue such as German rearmament we could understand even if we deplored it. But the French Premier was brought down on minor local issues. In fact France stands discredited before the bar of history.

* * *

***The Gallows Debate Was Uninspired***

On the Westminster front the British Parliament once more debated the issue of Capital Punishment based on an exhaustive official report. You may remember that in 1948, on a free vote, the gallows were abolished. Any murderer under sentence of death at that time had his sentence reduced to life imprisonment. However, the House of Lords rushed to the rescue of the hangman and he was duly restored to his lofty role. But the murderers who had been reprieved during the short period were not hanged.

* * *

Actually there was a remarkable difference between the debate of 1948 and this one. Undoubtedly in 1948 the House of Commons, like the rest of the community, was weary of violent death in any form. The war had sickened decent men of violence and horror. Therefore, the debate at that time was highly emotional.

By contrast this week's debate was arid and uninspired. Perhaps the weariness of the House was due to the repetition of arguments that have grown too familiar. Almost the only dramatic moment was when Chuter Ede, Home Secretary in the Labor Government, told the House that during his term of office he refused a reprieve to a man who, after being hanged, was practically proved innocent.

Mr. Ede was deeply moved as he made this statement but the House more or less shrugged its shoulders. The sanctity of human life in this atomic age is obviously not what it was.

* * *

By the end of the week the Stock Exchange had got over its fit of nerves and the share barometer rose to "set fair." The drop in prices was largely caused by the jobber to stop the faint hearts from selling.

* * *

***Had He Forgotten The Humble Farthing?***

If imitation is still the sincerest form of flattery you will be interested to know that an astute Socialist M.P. named Follick is introducing a private bill to persuade Great Britain to change over from its present currency to a decimal one.

He told the House of Commons that the antiquarian sterling currency injures our tourist trade by annoying visitors, that no foreigner could distinguish between a half-crown and a two shilling piece, that the halfpenny has ceased to have any useful value—and that we ought to realize that Queen Victoria is dead. For some reason he did not include in his denunciation the humble farthing which is worth about six matches in modern value.

The lordly Times newspaper upbraids Mr. Follick in solemn terms. In an editorial it reminds the brash M.P. that only two years ago the Government bluntly turned down the strong recommendations of a public committee that the metric system of weights and measures be adopted. "The present (currency) arrangement," says the Times, "is known to work in its imperfect way and even has certain modest advantages of its own, like the shilling, which is that useful multiple, a dozen."

Probably the Times has something there. Since a shilling is worth twelve pence, we can have a half shilling coin (sixpence) whereas you in North America cannot very well have a coin worth half a quarter. Therefore I predict that Mr. Follick will not succeed with his well-meant bill.

* * *

***History Speaks In Brooklyn Accent***

Just to end this eventful week the cinema critics fairly went to town on Hollywood's Napoleonic film "Désirée starring Marlon Brando and Jean Simmons. Certainly the ways of Hollywood producers are hard to understand. They will go to endless trouble to secure a tapestry which is exactly of the period (and which no one notices) but if they have to show the little son or daughter of an 18th century French aristocrat they search Brooklyn for a child whose voice is so nasally American that it would hardly be intelligible in the Bronx.

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Thomas H. Main ..... *Executive Director*
F. Earl A. McKellar ..... *Manager*
Albert J. Napper ..... *Assistant Manager*
Ernest W. Carpenter ..... *Assistant Manager*
George C. Thirsk ..... *Accountant*
Fred H. Burdon ..... *Senior Inspector*
Eric Horton ..... *Market Branch Accountant*

*Loan Inspectors*

J. W. Hooton A. R. Lindsay
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**SOLICITORS**

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**THE 84TH ANNUAL MEETING WAS HELD AT THE COMPANY'S OFFICES ON FEBRUARY 9TH, 1955.**

The year 1954 was another very successful one and substantial growth resulted.

At the meeting the Directors were re-elected. At a subsequent meeting of the Board, Mr. Archibald McPherson was re-elected President and Mr. T. H. Main, Vice-President of the Company.

At the annual meeting Mr. R. C. Cowle, C.A., of George A. Touche & Co., and Kenneth W. Lemon, C.A., of Clarkson, Gordon & Co., were appointed auditors for the ensuing year.

---

The Company was incorporated in 1870 and record of the growth since 1920 is as follows:—

| 31st Dec. | Deposits & Debentures | Capital & Reserve Fund | Total Assets |
|---|---|---|---|
| 1920 | $ 3,642,095 | $4,000,000 | $ 7,717,498 |
| 1940 | 12,147,570 | 4,400,000 | 16,831,138 |
| 1950 | 25,929,871 | 4,950,000 | 31,254,345 |
| 1953 | 27,905,737 | 5,500,000 | 33,862,136 |
| 1954 | 30,562,308 | 5,500,000 | 36,530,964 |

Regular quarterly dividends amounting to 10% per annum on the paid-up Capital were paid during 1954 and an extra dividend of 1% was paid on the first of February, 1955, from the earnings of 1954.


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## M&O Pulp Mill Soon Back in Use

The Fort Frances plant of Minnesota and Ontario Paper Co. was expected to be back in production this week following a $500,000 fire early last week.

No equipment or buildings were damaged other than the grinder room. Wood destroyed amounted to only 150 cords (company uses 600,000 cords a year). Certain wood conveying and handling facilities were damaged, but the important heavy grinding equipment and electrical motors were undamaged.

The losses are fully covered by insurance both as to property loss from the fire damage and loss of earnings due to the fire, company reported.


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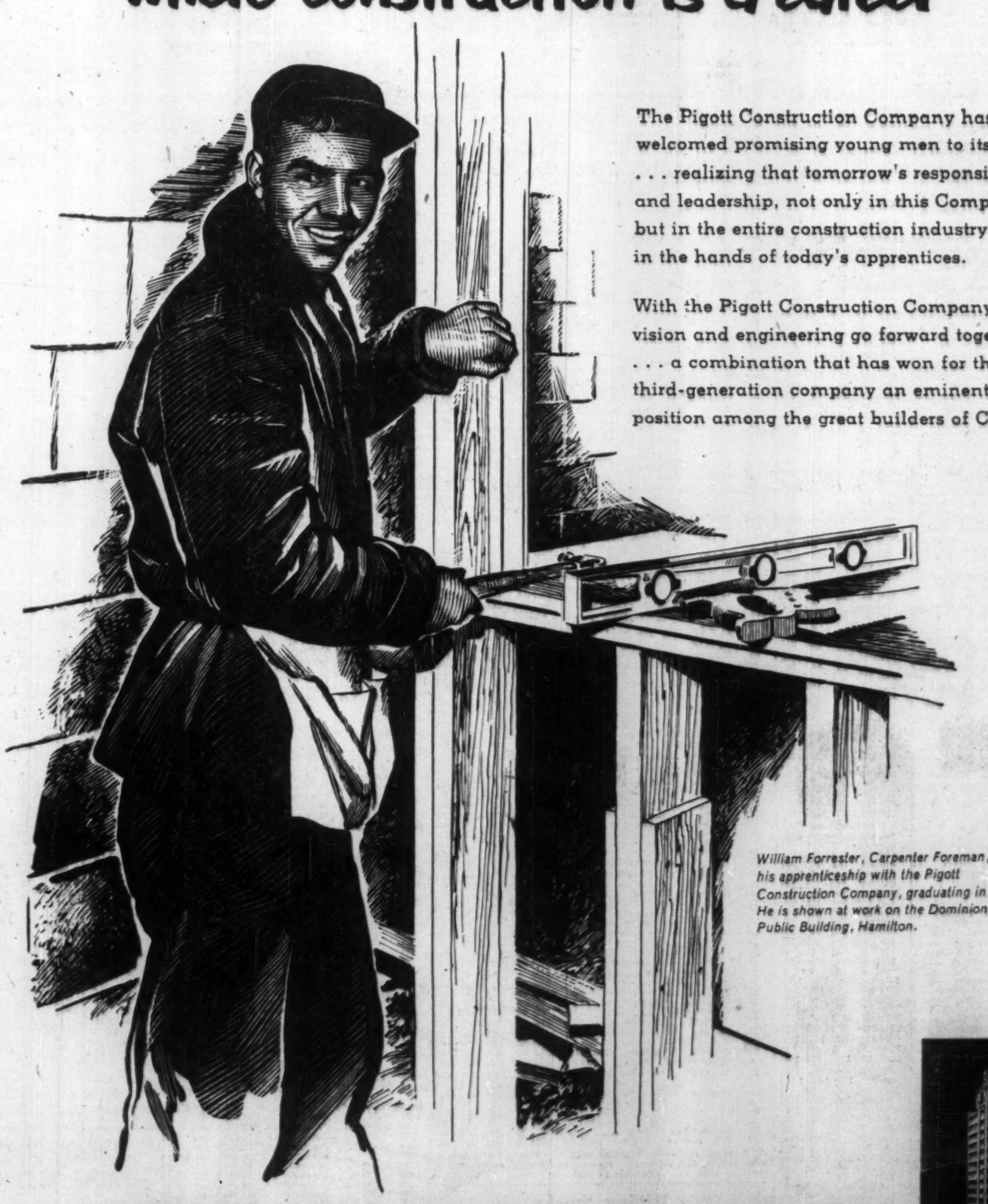

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*William Forrester, Carpenter Foreman, served his apprenticeship with the Pigott Construction Company, graduating in 1953. He is shown at work on the Dominion Public Building, Hamilton.*

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# THE WEEK'S QUOTATIONS

**Quotations here listed are the official exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.**

## Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING FEBRUARY 11, 1955

| Range 1954-55 High | Low | Div. Rate $ | Y'ld % | Company | Sales | Last Sale Feb. 11 4 | Week end. Feb. 11, 1955 H | L | Close |
|---|---|---|---|---|---|---|---|---|---|
| 29½ | 16½ | 1.60 | ... | Abitibi | 28393 | 29 | 29¼ | 27½ | 28½ |
| 26¼ | 25 | 1.12½ | 4.3 | Do. 4½% pref. | 1879 | 25½ | 26¼ | 25½ | 26 |
| 9¼ | 6 | .50 | 5.3 | Acadia Atlan. | 1620 | 9¼ | 9¼ | 9 | 9½ |
| 23½ | 17 | 1.20 | 5.2 | Do. (A) | 1330 | 23½ | 23¼ | 23 | 23 |
| 106½ | 100 | 5.00 | 4.7 | Do. 5% pfd. | ... | 105½ | 106 | 106 | 106 |
| 8¼ | 7 | .40 | 5.2 | Agnew Surp. | 20 | 7¾ | 7¾ | 7¾ | 7¾ |
| 10 | 9 | .55 | 5.5 | Do. pref. | 25 | 9½ | 10 | 10 | 10 |
| 2.25 | 1.25 | - | ... | Aibt. Dist. | 11800 | 1.75 | 1.86 | 1.60 | 1.75 |
| 2.20 | 1.35 | - | ... | Do. V.T. | 400 | 1.60 | 1.55 | 1.50 | 1.50 |
| 53½ | 39½ | - | ... | Algoma Steel | 3395 | 51¼ | 51½ | 50 | 50½ |
| 28¼ | 23 | 1.00 | 3.8 | Alum of Can p. | 631 | 26¼ | 26¼ | 26 | 26¼ |
| 108 | 104 | 5.25 | 4.9 | Do. 2nd pref. | 455 | 107 | 107½ | 106¼ | 106½ |
| 78 | 46 | ▲2.00 | ... | Aluminium | 12028 | 77 | 78 | 74 | 76½ |
| 40¼ | 25 | 2.00 | 5.0 | Ang. Cdn. Pulp | 2990 | 39 | 40 | 38¾ | 40 |
| 55 | 48½ | 2.80 | 5.2 | Do. pref. | 95 | 54½ | 54½ | 54 | 54 |
| 48½ | 39 | 2.25 | 4.7 | Ang. Can. Tel. p | 213 | 48 | 48 | 48 | 48 |
| 13 | 7½ | .60 | 5.0 | Ang. Nfld. | 16368 | 11½ | 12 | 11½ | 12 |
| 23 | 20¼ | 1.20 | 5.2 | Anthes Imp. | 900 | 22 | 23 | 22½ | 23 |
| 2.60 | .75 | - | ... | Arcan Corp. | 250 | .90 | .95 | .85 | .90 |
| 23½ | 12½ | 1.20 | ... | Argus | 6390 | 21½ | 22 | 20½ | 21½ |
| 116 | 82½ | 4.50 | 4.2 | Do. 4½% pref. | 240 | 108 | 109½ | 107 | 107 |
| 39 | 24½ | 1.00 | .25 | Asbestos | 3770 | 38½ | 39 | 38¼ | 38½ |
| 19 | 14 | 1.30½ | ... | Ashdown Hd B. | 400 | 14½ | 15 | 14½ | 15 |
| 16½ | 10¼ | • | ... | Atlas Steels | 4096 | 14½ | 14½ | 14 | 14½ |
| 10 | 8 | .60 | .10 | Auto Electric | 200 | 9½ | 9½ | 9½ | 9½ |
| 37½ | 27½ | 1.00 | .20 | Bk. Can. Nat. | 1329 | 37½ | 37½ | 37½ | 37½ |
| 48½ | 35½ | 1.20 | .20 | Bk. Montreal | 5549 | 45½ | 46 | 45½ | 45½ |
| 56 | 42 | 1.60 | 3.9 | Bk. N. Scotia | 1867 | 54½ | 56 | 54½ | 56 |
| 11 | 2 | - | ... | Barcelona | 11 | 7½ | 8½ | 7½ | 8½ |
| 61 | 40½ | 3.00 | 5.0 | Bathurst Pr. A. | 760 | 60 | 60 | 59½ | 59½ |
| 42 | 17½ | 1.75 | ... | Do. B | 710 | 39 | 38½ | 38½ | 38½ |
| 8½ | 6½ | .40 | 5.2 | Beatty Bros. | 1025 | 8 | 8 | 7¾ | 7¾ |
| 90 | 52 | 2.00 | .50 | Beaver Lumber | 10 | 87 | 86 | 86 | 86 |
| 11 | 8 | .55 | .10 | Belding Cort. | 25 | 9 | 9½ | 9½ | 9½ |
| 14 | 10 | .70 | 5.4 | Do. pref. | 5 | 11 | 13 | 13 | 13 |
| 6¼ | 4 | • | ... | Belgium Stores | 100 | 6 | 6¼ | 6¼ | 6¼ |
| 47 | 39½ | 2.00 | 4.3 | Bell Telephone | 18785 | 45¼ | 46½ | 45¼ | 46¼ |
| 18 | 13½ | 1.00 | 5.7 | Brant. Cord. A | 200 | 17½ | 17½ | 17 | 17½ |
| 9¼ | 6¼ | .03 | .stk | Brazilian Tr. | 31068 | 8¼ | 8¼ | 8¼ | 8¼ |
| 50 | 46½ | 2.90 | 6.0 | Bridge & Tank p | 95 | 48½ | 48½ | 48¼ | 48¼ |
| 23 | 15½ | 1.00 | .20 | Brit. Am. Bk. N'tes | 150 | 22½ | 23 | 22½ | 22½ |
| 30 | 20½ | .85 | 3.0 | Brit. Amer. Oil | 11555 | 28½ | 28½ | 28 | 28½ |
| 95¼ | 78 | 4.00 | 4.3 | B.C. Elec. 4% pf | 175 | 94 | 94 | 93 | 94 |
| 105 | 90 | 4.75 | 4.5 | Do. 4½% pref. | 410 | 104½ | 104½ | 104 | 104½ |
| 54 | 48 | 2.50 | 4.7 | Do. 5% pref. | 516 | 53¼ | 53¾ | 53 | 53½ |
| 54 | 49½ | 2.25 | 4.3 | Do. 4½% pref. | 2100 | 52 | 52½ | 51½ | 52 |
| 10¼ | 5½ | .40 | 4.0 | B.C. Forest | 21805 | 10 | 10 | 9½ | 10 |
| 18 | 13½ | .75 | 4.5 | B.C. Packers A | 60 | 16½ | 17 | 16½ | 16½ |
| 14½ | 9 | .25 | ... | Do. (B) | 275 | 14 | 14 | 13½ | 14 |
| 27 | 17½ | 1.00 | 3.7 | B.C. Power | 4696 | 26½ | 27 | 26 | 27 |
| 46½ | 35 | 2.00 | 4.4 | B.C. Tele. | 1302 | 45¼ | 46 | 45 | 45½ |
| 16¼ | 8¼ | - | ... | Brown Co. | 20595 | 16¼ | 16½ | 15¾ | 16 |
| 117 | 87 | ▲5.00 | ... | Do. 1st pref. | 425 | 115 | 116 | 112 | 113 |
| 15¼ | 8½ | • | ... | Bruck S. Mills A | 400 | 13 | 15½ | 15 | 15½ |
| 7 | 4 | • | ... | Do. B | 400 | 6 | 6½ | 6½ | 6¼ |
| 47½ | 35½ | 1.00 | 4.1 | Building Prod. | 1185 | 44 | 44 | 42½ | 44 |
| 29 | 19 | 1.00 | 1.50 | Burlington Steel | 485 | 28 | 29 | 28 | 28½ |
| 77 | 51½ | 2.00 | .50 | Burns & Co. A | 165 | 75 | 77 | 66½ | 77 |
| 39½ | 37½ | 3.00 | .50 | Do. (B) | 271 | 55 | 55 | .52 | 55 |
| 8¼ | 7 | .45 | 5.6 | Burrard D.D. A | 800 | 8½ | 8½ | 8 | 8 |
| 7 | 4 | • | ... | Butterfly Hos. | 25 | 4½ | 4 | 4 | 4 |
| 106½ | 100½ | 5.00 | 4.7 | Calgary Pr 5% | 5 | 105 | 106 | 106 | 106 |
| 3¼ | 2¼ | .10 | 3.4 | Canada Bread. | 25 | 2.50 | 2.90 | 2.90 | 2.90 |
| 53 | 46 | 2.25 | 4.3 | Do. pref. B | 10 | 52 | 50½ | 50½ | 50½ |
| 153 | 85 | ▲4.00 | ... | Canada Cement. | 1904 | 150 | 153 | 147 | 152 |
| 32 | 28½ | 1.30 | 4.1 | Do. pref. | 588 | 31½ | 31¾ | 31¼ | 31½ |
| 10¼ | ... | - | ... | Cr. Stone | 535 | 9¼ | 9¼ | 9¼ | 9¼ |
| 22¼ | 16½ | 1.00 | 4.5 | C. & D. Sugar | 2895 | 22½ | 22½ | 22 | 22½ |
| 15¼ | 10 | .20 | ... | Can. Floor B | 60 | 15½ | 15 | 15 | 15 |
| 16½ | 7¼ | .40 | 2.1 | Can. Foils | 255 | 15¼ | 13 | 13 | 13 |
| 25 | 19½ | 1.20 | 4.8 | Can. Iron | 4788 | 24½ | 25 | 24 | 25 |
| 160 | 78 | 3.00 | 1.9 | Can. Life | 199 | 152 | 158 | 151 | 158 |
| 10¼ | 8 | .50 | 5.6 | Can. Machine | 255 | 9 | 9¼ | 8½ | 9 |
| 72 | 51½ | 2.00 | .70 | Can. Malting | 165 | 70¼ | 70 | 69 | 69½ |
| 15¾ | 10 | .60 | 4.4 | Can. Nor. Pr. | 300 | 13 | 13¾ | 13¼ | 13¾ |
| 44½ | 36 | 1.50 | 3.8 | Can. Packers A. | 2156 | 39 | 39 | 38¾ | 39 |
| 39 | 31 | 1.50 | 4.3 | Do. (B) | 1235 | 34½ | 34½ | 34¼ | 34½ |
| 88 | 58 | 2.60 | 1.40 | Can. Perman. | 25 | 88 | 88 | 88 | 88 |
| 106 | 100½ | 5.00 | 4.8 | C. Safeway 1 p | 15 | 105½ | 105 | 105 | 105 |
| 106 | 100½ | 5.00 | 4.8 | Do. 2nd pref. | 15 | 105½ | 105 | 105 | 105 |
| 28¼ | 20 | .25 | 1.1 | Can. Starch A | 959 | 21 | 23 | 22 | 23 |
| 13½ | 12¼ | .62½ | 4.7 | Do. pref. | 340 | 13¼ | 13¾ | 13¼ | 13¾ |
| 19 | 13½ | .80 | .20 | Can. Vinegars | 30 | 17¼ | 18 | 17¼ | 18 |
| 75 | 64½ | 3.00 | 4.3 | C. W. Cable B. | 75 | 69½ | 69½ | 69½ | 69½ |
| 45 | 32½ | 1.20 | 2.8 | Cdn. Bk. Com. | 9228 | 41½ | 43 | 41½ | 43 |
| 3.95 | 2.90 | - | ... | Do. Rts. | 41636 | 3.65 | 3.95 | 3.60 | 3.95 |
| 28 | 21½ | 1.25 | 4.5 | Cdn. Breweries | 24252 | 26½ | 28 | 26½ | 27½ |
| 36 | 26½ | 1.25 | .50 | Cdn. Bronze | 351 | 27½ | 27½ | 27 | 27½ |
| 32½ | 22 | 2.00 | 6.3 | Cdn. Canners | 3469 | 31 | 32½ | 30½ | 31½ |
| 27 | 16½ | .80 | .20 | Can. Car & F'y | 1485 | 21 | 21 | 20 | 21 |
| 25½ | 18½ | 1.00 | 4.7 | Do. pref. A | 1925 | 21½ | 22 | 21½ | 21½ |
| 25 | 18 | .75 | ... | Cdn. Celanese | 3135 | 23½ | 23½ | 22½ | 23½ |
| 37½ | 29 | 1.75 | 4.9 | Do. $1.75 pref. | 568 | 35½ | 36½ | 36 | 36 |
| 22 | 17½ | 1.00 | 4.9 | Do. $1 pref. | 250 | 20 | 21½ | 20½ | 20½ |
| 9¾ | 6¼ | - | ... | Cdn. Chem. | 2360 | 9¼ | 9¼ | 9 | 9¼ |
| 9.75 | 6.30 | - | ... | Cdn. Collieries | 9540 | 8.85 | 9.25 | 8.75 | 9.30 |
| 4.50 | 3.00 | - | ... | Cdn. Converters | 50 | 3.05 | 3.10 | 3.10 | 3.10 |
| 17½ | 15 | ▲.25 | ... | Cdn. Dredge | 3640 | 17½ | 17½ | 17½ | 17½ |
| 24½ | 22 | 1.00 | 4.6 | Cdn. Fairb. | 225 | 22 | 21½ | 21½ | 21½ |
| 2 | 1½ | - | ... | Cdn. Food Prod | 200 | 1.80 | 2.00 | 1.80 | 2.00 |
| 7 | 3½ | • | ... | Do. (A) | 100 | 5 | 5 | 5 | 5 |
| 64 | 30 | • | ... | Do. pref. | 30 | 45 | 46 | 45 | 45 |
| 38½ | 23½ | 1.10 | .18 | Cdn. G. Inv. | 1175 | 30½ | 30½ | 30½ | 30½ |
| 28½ | 20½ | 1.15 | ... | Cdn. Indus. | 4172 | 21½ | 22 | 21½ | 21½ |
| 16 | 9½ | 1.30 | ... | Cdn. Int. I. Tr. | 218 | 14 | 16 | 14½ | 14½ |
| 96 | 81 | 5.00 | 5.3 | Do. pref. | 28 | 92 | 96 | 95 | 95 |
| 22½ | 18 | • | ... | Cdn. Locomo. | 1299 | 21 | 22½ | 21 | 22 |
| 7½ | 4½ | 1.06 | ... | Cdn. Marconi | 1320 | 6½ | 6½ | 6½ | 6½ |
| 182 | 121 | .50 | 4.7 | Cdn. Oil | 2650 | 18½ | 18½ | 18 | 18½ |
| 106 | 100 | 5.00 | 4.7 | Do. pref. | 71 | 105½ | 105½ | 105 | 105½ |
| 170 | 152 | 8.00 | 4.7 | Do. 8% pref. | 15 | 167½ | 170 | 170 | 170 |
| 93¼ | 82 | 4.00 | 4.3 | Do. 4% pref. | 10 | 93½ | 93 | 93 | 93 |
| 4.50 | 1.65 | - | ... | Do. warr. | 9690 | 4.40 | 4.35 | 4.00 | 4.30 |
| 32 | 20½ | 1.75 | ... | Cdn. Pacific | 14695 | 29¼ | 30 | 28½ | 29½ |
| 22½ | 12½ | - | ... | Cdn. Petrofina p | 4192 | 19½ | 20 | 18½ | 20 |
| 7¼ | 2¼ | - | ... | Cdn. P & P Sec | 1425 | 6 | 7¼ | 7¼ | 7¼ |
| 85 | 55 | - | ... | Cdn. Propane | 100 | 75 | 75 | 75 | 75 |
| 12 | 8½ | - | ... | Cdn. Salt | 31 | 11½ | 11½ | 10½ | 10½ |
| 12¼ | 8 | 1.20 | ... | Cdn. Silk A | 1128 | 8 | 8½ | 8½ | 8½ |
| 77 | 45½ | .60 | .10 | Cdn. Tire | 100 | 70 | 70 | 70 | 70 |
| 105 | 99 | 5.00 | 4.8 | Cdn. Utilities pf | 65 | 104 | 104 | 102 | 103½ |
| 39½ | 17 | 1.50 | 3.8 | Chateo Steel | 3660 | 38 | 39½ | 36½ | 39 |
| 16 | 6½ | .25 | ... | C. Wallpaper A. | 115 | 11½ | 12 | 12 | 12 |
| 16 | 6½ | .25 | ... | Do. (B) | 230 | 11½ | 12 | 11 | 12 |
| 14½ | 8 | - | ... | Cdn. W. Lumber | 25 | 12½ | 12½ | 12½ | 12½ |
| 78½ | 57½ | 2.00 | 3.2 | Cdn. Westinghe | 1035 | 60 | 62 | 59½ | 62 |
| 5.50 | 4.35 | ▲.41 | .04 | Capital Estates | 700 | 4.90 | 4.85 | 4.80 | 4.80 |
| 14½ | 8 | 1.00 | 6.8 | Celtic Knit | 100 | 10 | 14½ | 14½ | 14½ |
| 5½ | 4½ | - | ... | Chateo Steel | 225 | 5 | 5½ | 5½ | 5½ |
| 17 | 10½ | 1.00 | 6.7 | Ch. Gai Wines | 285 | 15½ | 15 | 15 | 15 |
| 71½ | 55½ | ▲.75 | ... | Chrysler Corp. | 420 | 66½ | 69½ | 67 | 68 |
| 3.80 | 3.00 | - | ... | Claude Neon B. | 400 | 3.55 | 3.60 | 3.60 | 3.60 |
| 70 | 35½ | - | ... | Do. pref. | 5 | 58½ | 60 | 60 | 60 |
| 11½ | 6½ | - | ... | Cockshutt Farm | 5239 | 7¾ | 7¾ | 7½ | 7¾ |
| 16½ | 12½ | .25 | .20 | Coghlin B. J. | 460 | 16½ | 16½ | 16 | 16½ |
| 11½ | 6½ | .30 | ... | Comb. Enter. | 100 | 10 | 11½ | 11½ | 11½ |
| 11½ | 7 | .25 | 2.4 | Conduits Nat. | 203 | 10 | 10½ | 10½ | 10½ |
| 170½ | 58 | 1.50 | 0.9 | Conf. Life | 243 | 159 | 170½ | 160 | 170½ |
| 8¼ | 6¼ | .50 | ... | Cons. Bakeries | 40 | 8 | 7¾ | 7¾ | 7¾ |
| .95 | .70 | - | ... | Cons. Div. Sec A | 204 | .95 | .85 | .74 | .85 |
| 25 | 22 | 1.50 | 6.6 | Do. pref. | 65 | 24 | 25 | 25 | 25 |
| 68½ | 40½ | 1.50 | 1.7 | Cons. Paper | 8040 | 66 | 66 | 64 | 65½ |
| 8.00 | 3.80 | • | ... | Cons. Press A | 450 | 3.90 | 3.90 | 3.80 | 3.80 |
| 32½ | 21½ | .80 | 3.5 | Cons. Smelters | 16247 | 32¼ | 32½ | 31 | 32½ |
| 10½ | 5½ | • | ... | Cons. Textiles | 3325 | 10¼ | 10 | 9½ | 9½ |
| 25 | 16 | .80 | 3.8 | Consumers Gas | 4007 | 21½ | 21½ | 21 | 21 |
| 30 | 24½ | 1.50 | 5.5 | Consumers Glass | 195 | 26½ | 27½ | 26½ | 27½ |
| 18½ | 10½ | ▲1.10 | ... | Corbys A | 6457 | 18 | 18½ | 17½ | 18 |
| 12½ | 10 | .50 | ... | Do. (B) | 750 | 11 | 11 | 11 | 11 |
| 12½ | 9 | .70 | 5.8 | Cosmos Imp. | 620 | 12 | 12½ | 12 | 12 |
| 5 | 3 | • | ... | Craig Bit | 100 | 4½ | 4½ | 4½ | 4½ |
| 17 | 12½ | .60 | 3.5 | Crain, R. L. | 125 | 16 | 17 | 17 | 17 |
| 48 | 36 | 2.00 | 4.3 | Crown Cork | 55 | 46 | 46 | 45½ | 46 |
| 215 | 116 | 5.00 | 2.4 | Crown Trust | 55 | 210 | 215 | 200 | 205 |
| 62 | 34 | ▲2.50 | ... | Crown Zeller | 1089 | 58½ | 59 | 57½ | 59 |
| 82 | 58 | 3.20 | 3.7 | Crow's N. Coal | 18 | 123 | 132 | 123 | 132 |
| 16 | 7½ | - | ... | Davis Leather A | 650 | 8½ | 10 | 8½ | 10 |
| 5 | 3 | - | ... | Do. (B) | 55 | 3½ | 3 | 3 | 3 |
| 200 | 98 | ▲1.00 | ... | De Havilland A. | 10 | 200 | 190 | 190 | 190 |
| 11 | 8 | .50 | ... | Disher Steel | 10 | 10 | 11 | 11 | 11 |
| 35 | 27½ | 1.20 | .50 | Distill-Seagram | 18190 | 31 | 32 | 30½ | 32 |
| 20½ | 15½ | 1.10 | .30 | Dom. Bridge | 10541 | 19½ | 20 | 19 | 19½ |
| 14 | 12½ | .80 | 6.2 | Dom. Corset | 310 | 13 | 13 | 12½ | 13 |
| 6¼ | 5½ | - | ... | Dom. Dairies | 10 | 6½ | 6½ | 6½ | 6½ |
| 17 | 14 | • | ... | Do. pref. | 10 | 16 | 16 | 16 | 16 |
| 5¼ | 3½ | • | ... | Dom. Electro | 100 | 4 | 4 | 4 | 4 |
| 28½ | 21 | .60 | .40 | Dom. Engineer | 960 | 28 | 28 | 27½ | 27½ |
| 21 | 13½ | .60 | 2.9 | Dom. Foundry | 7327 | 20½ | 21 | 19½ | 21 |
| 105½ | 99 | 4.50 | 4.3 | Do. 4½% pref. | 145 | 103½ | 103½ | 103½ | 103½ |
| 45 | 33 | .80 | .62½ | Dom. Glass | 4725 | 34 | 38 | 34 | 38 |
| 18 | 13½ | .70 | 4.1 | Do. pref. | 310 | 17½ | 17½ | 17½ | 17½ |
| 17 | 11½ | ▲.50 | ... | Dom. Magnes. | 20700 | 15 | 17 | 14½ | 16½ |
| 38 | 27½ | 1.60 | .40 | Dom. Oilcloth | 363 | 33½ | 35 | 34 | 35 |
| 20 | 11½ | .30 | .25 | Dom. Scot. Inv. | 20 | 20 | 20 | 20 | 20 |
| 52½ | 46 | 2.50 | 4.8 | Do. pref. | 160 | 52 | 52 | 52 | 52 |
| 18¾ | 9½ | 1.00 | 5.8 | Dom. St. & C. | 8255 | 17½ | 17½ | 16½ | 17½ |
| 32 | 18½ | .80 | 2.7 | Dom. Stores | 2980 | 29½ | 30 | 28½ | 30 |
| 12½ | 7½ | .40 | 3.4 | Dom. Tar & Ch. | 42154 | 14 | 12½ | 12½ | 12½ |
| 24 | 20½ | 1.00 | 4.3 | Do. pref. | 230 | 23½ | 23½ | 23½ | 23½ |
| 8½ | 6 | • | ... | Dom. Textile | 6697 | 8 | 8 | 7¾ | 7¾ |
| 3 | 2 | - | ... | Dom. Woollens | 350 | 2.10 | 2.10 | 2.00 | 2.10 |
| 31 | 15½ | 1.20 | .20 | Donohue Bros. | 772 | 30 | 30½ | 29 | 29 |
| 26 | 18½ | - | ... | Dow Brew. | 1913 | 25½ | 26 | 25½ | 25½ |
| 35¼ | 24½ | 1.20 | ... | Du Pont of Can. | 4263 | 27½ | 28½ | 27 | 27½ |
| 100 | 90 | 3.75 | 3.8 | Do. pref. | 30 | 100 | 98 | 98 | 98 |
| 66 | 42 | - | ... | East Koot Pr pf. | 1 | 59½ | 60 | 60 | 60 |
| 6½ | 3½ | - | ... | East Steel | 250 | 4.30 | 4.30 | 4.20 | 4.20 |
| 12½ | 5½ | .20 | .20 | Easy Washing | 300 | 10¼ | 11½ | 11½ | 11½ |
| 32½ | 25 | 1.00 | 1.50 | Economic Inv. | 699 | 31 | 32½ | 31½ | 32½ |
| 35½ | 31 | 1.00 | 2.9 | Eddy Paper | 340 | 35 | 34½ | 34 | 34½ |
| 100 | 100 | - | ... | Electra Inv. | 100 | 1.08 | 1.10 | 1.10 | 1.10 |
| 13½ | 9½ | ▲1.00 | ... | Electrolux | 650 | 12 | 12½ | 12½ | 12½ |
| 25 | 21 | .60 | 1.7 | Empire Life | 187 | 33 | 35 | 32 | 35 |
| 25½ | 19½ | 1.04 | 4.6 | Estabrooks pf. | 100 | 23½ | 23½ | 23¼ | 23½ |
| 28½ | 19 | 1.50 | .10 | Fam. Players | 5005 | 28½ | 28½ | 27½ | 28 |
| 29½ | 20 | ▲1.50 | ... | Fanny Farm. | 810 | 27½ | 27½ | 26½ | 27 |
| 30 | 19 | 1.00 | ... | Federal Grain | 680 | 28½ | 28½ | 28 | 28½ |
| 30 | 26 | 1.00 | 4.7 | Do. pref. | 150 | 29½ | 30 | 29½ | 29½ |
| 5 | 2½ | - | ... | Fibre Products | 16 | 2½ | 2½ | 2½ | 2½ |
| 12 | 10 | .60 | 6.0 | Fittings A | 200 | 9½ | 10 | 10 | 10 |
| 9 | 9 | • | ... | Flash Fast. pf. | 30 | 9 | 9 | 9 | 9 |
| 2.55 | 1.15 | - | ... | Fleet Mfg. | 8750 | 1.90 | 1.95 | 1.80 | 1.85 |
| 110½ | 63½ | 11.25 | .25 | Ford Motor A. | 5263 | 105½ | 109½ | 102 | 109 |
| 58½ | 30 | - | ... | For. Pr. Secs. | 241 | 55 | 55 | 50 | 50 |
| 23½ | 13 | 1.17½ | .10 | Foundation Co. | 7310 | 22½ | 23 | 21 | 22½ |
| 27½ | 15½ | 1.00 | .20 | Fraser Cos. | 9611 | 27½ | 27½ | 26 | 27 |
| 29 | 20½ | 1.20 | 4.2 | Gatineau Pwr. | 5101 | 28 | 28½ | 27½ | 28½ |
| 113 | 104 | 5.00 | 4.5 | Do. pref. 5% | 34 | 113 | 112 | 110½ | 112 |
| 82 | 58 | 3.20 | 3.7 | Gen. Bakeries | 3100 | 71 | 74 | 71 | 74 |
| 111 | 35 | 12.10 | .stk | Gen. Dynamics | 5220 | 98 | 111 | 92½ | 110 |
| 102 | 58 | ▲1.00 | ... | Gen. Motors | 336 | 97 | 98 | 94 | 95 |
| 1.20 | 1.05 | - | ... | Do. Rts. | 5998 | .. | 1.20 | 1.05 | 1.10 |
| 16½ | 10½ | .10 | ... | Gen. St. Wares | 1265 | 10½ | 10½ | 10½ | 10½ |
| 105 | 99 | 5.00 | 4.9 | Do. pref. | 145 | 102 | 103 | 101½ | 102½ |
| 180 | 97 | 4.00 | 2.00 | Goodyear Tires | 305 | 165 | 170 | 165 | 170 |
| 83½ | 48½ | 2.00 | 3.8 | Do. pref. | 80 | 52½ | 52½ | 52½ | 52½ |
| 8 | 6½ | .50 | 7.1 | Gord. MacKay A | 350 | 8 | 7½ | 7 | 7 |
| 10½ | 8 | 1.00 | 12.5 | Do. (B) | 250 | 8¼ | 8¼ | 8 | 8 |
| 34½ | 18½ | 1.60 | 4.6 | Gt. Lakes Paper | 8530 | 33½ | 34½ | 32 | 34½ |
| 5.60 | 3.95 | - | ... | Gt. North Gas | 1825 | 5.50 | 5.65 | 5.35 | 5.65 |
| 9½ | 5 | .50 | 6.1 | Gt. West Coal A | 725 | 8¼ | 8¼ | 8 | 8¼ |
| 8¼ | 4½ | ▲.25 | ... | Do. (B) | 120 | 6 | 6 | 6 | 6 |
| 207 | 77 | 2.00 | .50 | Gt. West-Life | 40 | 200 | 207 | 205 | 207 |
| 4.70 | 3.50 | .20 | .05 | Greening Wire | 350 | 4½ | 4½ | 4½ | 4½ |
| 19 | 13½ | .60 | 3.2 | Guaranty Trust | 200 | 18 | 18½ | 18½ | 18½ |
| 4½ | 2 | - | ... | Gurney Prod. c. | 25 | 4½ | 3 | 3 | 3 |
| 56 | 32½ | 1.20 | ... | Gypsum, Lime | 1175 | 55 | 55½ | 54½ | 55½ |
| 17½ | 14½ | 1.00 | 6.3 | Hahn Brass | 175 | 16½ | 16 | 16 | 16 |
| 20 | 12½ | 1.22½ | ... | Ham. Cot. | 5 | 15½ | 12½ | 12½ | 12½ |
| 9 | 7½ | .15 | ... | Harding Carpet | 295 | 8½ | 8½ | 8 | 8½ |
| 38½ | 33 | 1.50 | 4.4 | Hayes Steel | 25 | 34 | 34½ | 34½ | 34½ |
| 6 | 4 | - | ... | Hees, Geo. H. | 140 | 5 | 5 | 4½ | 4½ |
| 18 | 12½ | 1.00 | .23 | Hendershot Paper | 20 | 18 | 18 | 18 | 18 |
| 80 | 71 | 5.00 | 6.3 | Do. pref. | 10 | 80 | 80 | 80 | 80 |
| 6½ | 3½ | .45 | ... | Hinde & Dauch | 187 | 60 | 60 | 59 | 59 |
| 10½ | 9½ | .50 | 4.8 | Horner, F. W. A | 30 | 10 | 10½ | 10½ | 10½ |
| 31½ | 18½ | 1.00 | .20 | H. Smith Paper | 4702 | 30½ | 31½ | 30 | 31½ |
| 52½ | 44½ | 2.00 | 3.8 | Do. pref. | 365 | 52 | 52 | 51 | 52 |
| 71 | 12¾ | .70 | ... | Huron & E. Mt. | 20 | 17¾ | 170 | 170 | 170 |
| 35 | 23½ | 1.40 | 4.0 | Do. 20% pref. | 30 | 33 | 35 | 35 | 35 |
| 71 | 4 | .20 | 4.0 | Hydro Electric | 13 | 7¼ | 6¾ | 6¾ | 6¾ |
| 50½ | 36½ | 1.20 | .30 | Imperial Bk. | 1449 | 47½ | 47½ | 46¼ | 47 |
| 15¾ | 13½ | - | ... | Do. Warr. | 11703 | 15 | 15¼ | 15 | 15 |
| 80 | 43 | 1.50 | 2.1 | Imp. Life | 50 | 72 | 70 | 67 | 70 |
| 40 | 28 | .90 | 2.4 | Imperial Oil | 10242 | 38½ | 38½ | 38 | 38½ |
| 11½ | 9½ | .40 | .07 | Imperial Tob. | 14396 | 11 | 11¼ | 11 | 11¼ |
| 25½ | 23½ | 1.23 | ... | Do. 4% pref. | 350 | 23½ | 25.60 | 23.60 | 25.60 |
| 71 | 6 | .07 | 4.0 | Do. pref. | 300 | 7¼ | 7¼ | 6¾ | 7¼ |
| 23½ | 20 | 1.30 | 5.2 | Imp. Varnish | 225 | 23½ | 23 | 20 | 23 |
| 35½ | 34½ | 2.50 | 4.7 | Indust. Accept. | 8516 | 52½ | 54 | 53 | 53½ |
| 13 | 7 | .40 | ... | Inglis, John | 24117 | 11½ | 13 | 11 | 13 |
| 3.60 | 2.95 | - | ... | Inland Nat. Gas | 4100 | 3.30 | 3.50 | 3.15 | 3.20 |
| 11 | 5½ | ••.25 | 4.8 | Interior Brew B | 300 | 5 | 5 | 5 | 5 |
| 6.00 | 3.15 | ▲.10 | ... | Inter. Bronze | 325 | 4½ | 5 | 4½ | 5 |
| 18 | 15½ | 1.30 | 8.6 | Do. pref. | 200 | 17½ | 17 | 17 | 17 |
| 38 | 29½ | 1.60 | ▲.40 | Int. Metal Ind. A | 625 | 34½ | 34½ | 34 | 34½ |
| 105 | 96 | 4.50 | 4.4 | Do. pref. | 110 | 103 | 103½ | 103 | 103 |
| 521 | 34½ | ▲.55 | ▲.90 | Inter. Nickel | 27305 | 60½ | 62½ | 59½ | 62 |
| 136 | 128 | ▲.75 | ... | Do. pref. | 129 | 135 | 135 | 134½ | 135 |
| 25 | 24 | 1.20 | ▲▲.25 | Inter. Paints, pf | 25 | 25 | 25 | 25 | 25 |
| 88½ | 54 | ▲3.00 | • | Int. Paper | 1444 | 87½ | 88½ | 85½ | 88 |
| 100 | 96½ | ▲4.00 | ... | Do. pref. | 3 | 99½ | 100 | 100 | 100 |
| 106 | 100 | 4.75 | 4.5 | Do. 4½% pref. | 20 | 105 | 104½ | 104½ | 104½ |
| 14 | 9½ | .60 | ▲.10 | Nat. Drug | 320 | 13 | 13½ | 13 | 13½ |
| 14½ | 11½ | .60 | 4.5 | Do. pref. | 5310 | 13½ | 13½ | 13½ | 13½ |
| 47½ | 27½ | 2.80 | 5.4 | Nat. Grocers | 2665 | 12½ | 12½ | 12½ | 12½ |
| 53½ | 47½ | 2.80 | 5.4 | Somerville pf. | 15 | 52 | 52 | 52 | 52 |
| 29¾ | 20 | ▲1.60 | ... | Southam | 855 | 37 | 38 | 37 | 38 |
| 46 | 32½ | 1.50 | ... | So. Can. Pr. | 6143 | 43 | 44½ | 43 | 44 |
| 149 | 124 | 6.00 | ▲▲.00 | Do. pref. | 124 | 144 | 144 | 140 | 144 |
| 32½ | 27½ | 2.50 | ▲.15 | Stand. Brands | 100 | 34½ | 29½ | 29½ | 29½ |
| 30 | 20 | 1.37½ | ▲.50 | St. Fav. | 2172 | 29 | 30 | 28½ | 30 |
| 12 | 7 | .60 | 5.2 | Stand. Radio A. | 403 | 11½ | 11½ | 11½ | 11½ |
| 8 | 6½ | .60 | 7.5 | Stan. Brock A. | 200 | 7 | 8 | 8 | 8 |
| 5¼ | 5 | .40 | 8.0 | Do. (B) | 150 | 5½ | 5 | 5 | 5 |
| 24 | 18½ | .80 | ▲1.10 | Stedman Bros. | 235 | 23½ | 22½ | 22 | 23½ |
| 5.50 | 4.50 | .30 | .30 | Steel of Can. | 5585 | 5¼ | 5¼ | 5¼ | 5¼ |
| 42½ | 28½ | 1.40 | ▲.20 | Sterling Trust | 290 | 42 | 42½ | 42½ | 42½ |
| 75 | 12 | .80 | ▲.20 | Stuart, D. A. | 300 | 14 | 14½ | 14 | 14½ |
| 221½ | 151 | .80 | 3.7 | Sup. Pete. Ord. | 1690 | 22½ | 22½ | 21 | 21½ |
| 105 | 101 | 5.00 | 4.8 | Do. pref. | 40 | 103½ | 104 | 103½ | 103½ |
| 44 | 32 | - | ... | Sup. Propane | 3925 | 9 | 9½ | 9 | 9½ |
| 25½ | 23 | 1.40 | 5.7 | Do. pref. | 55 | 25 | 25 | 24½ | 24½ |
| 3.70 | 1.65 | ▲.18 | ... | Switson Ltd. | 4750 | 3.25 | 3.80 | 3.23 | 3.35 |
| 50 | 37½ | 1.00 | ▲1.65 | Tamblyn | 167 | 44 | 45½ | 44½ | 44½ |
| 11½ | 8½ | .40 | ▲1.10 | Taylor Pearson | 103 | 9½ | 10 | 9½ | 9½ |
| 12½ | 10 | .50 | 4.7 | Do. 5% pref. | 200 | 11 | 10½ | 10½ | 10½ |
| 35½ | 23 | 1.60 | ▲▲.stk | Thrift Stores | 1858 | 33 | 34 | 32½ | 33½ |
| 21 | 1 | - | ... | Tooke Bros. pf. | 50 | 11 | 11 | 11 | 11 |
| 48 | 42½ | - | ... | Tor. Dom. Bank | 6778 | 45 | 48 | 44½ | 47 |
| 18½ | 13½ | .80 | 4.6 | Tor. Elevators | 285 | 13 | 18½ | 17½ | 18½ |
| 38½ | 30 | 1.40 | 4.0 | Tor. Gen. Tr. | 160 | 35½ | 35½ | 34½ | 34½ |
| 29 | 16 | 1.00 | ▲.20 | Toronto Iron | 10 | 22 | 22 | 22 | 22 |
| 31 | 17 | ▲.00 | ▲.20 | Do. (A) | 540 | 22 | 22 | 20½ | 22 |
| 45 | 32½ | 1.60 | ... | Traders Fin. A | 2078 | 42½ | 43 | 42 | 42½ |
| 43½ | 32½ | 1.60 | ... | Do. (B) | 255 | 41 | 43½ | 42½ | 43½ |
| 101 | 93 | 4.50 | 4.5 | Do. 4½% pref. | 5 | 101 | 101 | 101 | 101 |
| 17 | 16½ | 1.00 | 5.9 | Do. A R

## Unlisted Stocks

(Compiled by Intercity Securities Corporation Limited, Toronto)

February 14, 1955

| | Bid | Asked |
|---|---|---|
| Alexander Bldg. Corp. .. | 5.00 | 8.00 |
| Algoma C. & H.B. R. c. .. | 24.00 | 25.00 |
| Do. pfd. .. | 1.50 | .... |
| Allens Toronto Units .... | 42.00 | .... |
| Anglin Norcross pfd. .... | .50 | .... |
| Angio Can Telephone A | 13.00 | 13.75 |
| Ash Temple com. ..... | 2.25 | 2.65 |
| Bowes Ltd. 1% pfd. .... | .90 | .95 |
| Brinton Peterboro Carpet | .... | 48.00 |
| B. C. Sugar ..... | 99.00 | 101.00 |
| Brit. Mtge. & Trust ..... | 210.00 | 217.00 |
| Brockville Trust & Sav. | 62.00 | 65.00 |
| Can. Crushed S. 6% pfd. | 96.00 | 98.50 |
| Can. Cons. Grain com. .. | 5.50 | 6.00 |
| Can. Cons. Grain Units .. | 83.00 | .... |
| Can. Delhi Pete. ..... | 10.00 | 11.00 |
| Can. Foreign Invest. .... | 27.00 | .... |
| Can. Foreign Secur. .... | 10.75 | 12.00 |
| Can. Motor Lamp ..... | 20.00 | 21.50 |
| Can. Refractories pfd. .. | 94.00 | .... |
| Can. West Nat. Gas pfd. | 16.25 | 18.00 |
| Capital Wire Cloth com. | 14.00 | .... |
| Carlton Club ..... | 110.00 | .... |
| Chase, Dr. A. W., com. .. | 2.00 | .... |
| Colonial Stmshp. com. . | 190.00 | 215.00 |
| Do. pfd. ..... | 67.00 | 71.00 |
| Commercial Life 10% pd. | 13.00 | .... |
| Concourse Bldg. V.T. ... | 45.00 | .... |
| Cons. Toronto Land-W. .. | .25 | .... |
| Crown Life Insce. ..... | 1,900.00 | .... |
| Deben. & Sec. 6% pfd. .. | 90.00 | 93.50 |
| Detroit Internatl. Bridge | 18.25 | 19.00 |
| Dom. Can. Gen. Insce. .. | 500.00 | .... |
| Dom. Linseed Oil pfd. .. | 3.00 | .... |
| Dom. Manufacturers pfd. | 90.00 | .... |
| Do. com. ..... | 1.25 | .... |
| Dom. Royalty Corp. .... | .32 | .... |
| Dover Industries ..... | 9.50 | 10.15 |
| Empire Accept. Div. 20c | 6.25 | 7.25 |
| Essex Packers com. .... | 2.60 | 3.50 |
| Do pfd ..... | 35.00 | .... |
| Galt Brass ..... | 38.50 | .... |
| Goderich Elev. & Trans. | 21.25 | 22.25 |
| Granite Club ..... | 14.25 | 14.75 |
| Gt. Br. & Can. Inv. com. | 7.00 | 7.75 |
| Do. pfd. ..... | 108.00 | .... |
| Gt. Lakes Power com. .. | 15.50 | .... |
| Gt. West Life Assce .... | 210.00 | 216.00 |
| Guarantee N. Am. ful. pd. | 415.00 | 440.00 |
| Do. 20% pd. ..... | 84.50 | .... |
| Halifax Insce. ..... | 14.00 | 16.00 |
| Heaps Waterous ..... | 2.00 | 2.50 |
| Highland Dairy pfd. .... | 43.00 | .... |
| Homewood Sanitarium .... | .... | 94.00 |
| Hudson's Bay Co. ..... | 22.25 | 22.75 |
| Humber Amusement Pier | .40 | .... |
| Humberstone Shoe ..... | 10.00 | 12.00 |
| Ingram & Bell pfd. ..... | 104.00 | .... |
| Ingersoll Mach. Tool B .. | 5.00 | .... |
| Indust. Mtge. & Trust .. | 68.00 | .... |
| Internat. Holdings ..... | 18.25 | 19.25 |
| Jenkins Bros. com. ..... | 35.00 | .... |
| Lambton Golf Club .... | 200.00 | .... |
| Lambton Loan, Sarnia ... | 80.00 | .... |
| Lawson & Jones 1% pfd. | .65 | .... |
| Lond. Can Inv. $3.00 pfd. | 47.00 | .... |
| Do. A ..... | 37.50 | .... |
| London Life Assce ..... | 65.00 | .... |
| Manufacturers Life Insce. | 180.00 | 190.00 |
| Maxwell Ltd. $6.00 pfd. .. | 78.00 | .... |
| Medical Arts B., Toronto | 44.00 | .... |
| Monarch Life 46% pd. .. | 130.00 | .... |
| Nat. Sewerpipe new pfd. (with bonus com.) | 12.75 | .... |
| New Brunswick Tele. ... | 13.00 | 14.00 |
| Niagara L. Arch Bridge . | 62.00 | 66.00 |
| Northern Telephone .... | 1.95 | 2.10 |
| Oakville Golf Club .... | 20.00 | 20.00 |
| Oakville Wood 6% pfd. .. | 87.00 | 93.00 |
| Para, Oshawa Theatres . | 12.50 | .... |
| Park Lawn Cemetery .. | 1.25 | .... |
| Pembina Pipe Line com. | 14.00 | 14.25 |
| Prairie Royal, Trust Units | 2.25 | .... |
| Prudential Trust ..... | 16.00 | .... |
| Reliance Pete A & B ... | 20.50 | .... |
| Do. pfd. ..... | 42.00 | .... |
| Ritchie Cut Stone pfd. . | 13.25 | .... |
| Rob. Jones Whitman pfd. | 21.00 | .... |
| Royal Oak Dairy B ..... | 2.75 | .... |
| Sawyer Massey com. .... | 3.25 | 4.50 |
| Second Stand. Royal pfd. | .03 | .04 |
| Sincennes Mclaugh. Line | 3.25 | .... |
| Skyway Drive-In Theatre | 1.25 | 2.00 |
| Sovereign Life 25% pd. . | 71.00 | .... |
| Stanfield A & B ..... | 10.50 | .... |
| Standard Fuel pfd. | | |
| Div. $2.25 ..... | 25.00 | 26.00 |
| Do. com. ..... | 2.00 | 2.75 |
| Summit Golf ..... | 18.00 | 24.00 |
| Sun Life Assce. ..... | 289.00 | 295.00 |
| Toronto & London Inv. .. | 2.20 | 2.50 |
| Union Accept. 6% pfd. (with warr's. for com. at $11.00) ..... | 26.25 | .... |
| Do. Warrs. (for com. at $11.00) ..... | 6.00 | .... |
| United Can. Shares ..... | 16.00 | .... |
| United Steel 6% pfd. .... | 26.00 | 27.00 |
| Universal Cooler pfd. .... | 88.00 | 93.00 |
| Waterloo Mfg. ..... | 8.75 | 9.25 |
| Waterloo Trust ..... | 26.50 | .... |
| Western Assce. ..... | 128.00 | .... |
| Wood Alexander 6% pfd. | 85.00 | 90.00 |

By Kippen & Company Inc., Montreal

| | | |
|---|---|---|
| Algoma C. & H.B. R. c. | 23.50 | 24.50 |
| Beauharnois Lt., H. & P. | 30.00 | .... |
| Calgary Power ..... | 32.00 | .... |
| Cons. Theatres A ..... | 7.50 | 8.50 |
| Do. B ..... | 3.50 | 4.50 |
| Cuban Canadian Sugar .. | 12.00 | .... |
| Dupuis Freres pfd. ..... | 23.00 | 24.00 |
| Foreign Power pfd. ..... | 53.00 | 57.00 |
| Guarantee Co. of N. Am. | 420.00 | 440.00 |
| Guardian Realty ..... | 2.00 | 5.00 |
| Hart Battery c. ..... | 8.00 | 10.00 |
| Hudson's Bay Co. (new) . | 22.00 | 22.75 |
| London Canadian A .... | 27.00 | .... |
| Maritime Tele. & Tel. .... | 17.75 | 19.00 |
| Mont. C. & D. Svgs. Bank | 50.00 | 52.00 |
| New Brunswick Tel. .... | 13.00 | 14.00 |
| S. Nord. Chemical Co. .. | .70 | .... |
| N.S. Light & Power .... | 31.00 | .... |
| Ont. & Que. R. 5% c stk. | 122.00 | .... |
| Provincial Bank of Can. . | 25.00 | 28.00 |
| Prudential Trust Co. .. | 17.00 | .... |
| Sherbrooke Trust Co. .. | 150.00 | .... |
| Strategic Materials ..... | 7.60 | 8.20 |
| Sun Life Assurance Co. .. | 285.00 | 292.00 |

## Significant Investors' Index Numbers

| No. of Securities | Mach. and equip. 11 | Pulp and paper 9 | Milling 3 | Oils 5 | Textiles and clothing 10 | Food and allied prod. 14 | Beverages 10 | Bldg. mater. 15 | Power and traction 9 | Banks 8 | Total utilities 14 | Total co's 101 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *1953 to date: | | | | | | | | | | | | |
| High ..... | 586.6 | 873.1 | 172.5 | 178.6 | 410.3 | 158.3 | 526.5 | 410.6 | 168.4 | 241.4 | 187.1 | 214.3 |
| Low ..... | 69.7 | 51.6 | 61.2 | 41.2 | 78.4 | 79.5 | 79.3 | 66.7 | 60.2 | 60.0 | 62.5 | 61.1 |
| 1954 | | | | | | | | | | | | |
| Monthly Figures: | | | | | | | | | | | | |
| Jan. ..... | 395.3 | 562.6 | 129.3 | 126.1 | 168.8 | 122.9 | 434.5 | 283.6 | 131.5 | 185.5 | 149.1 | 157.4 |
| Feb. ..... | 418.4 | 589.4 | 129.9 | 136.3 | 158.4 | 123.6 | 447.9 | 280.8 | 134.0 | 189.6 | 151.9 | 163.2 |
| Mar. ..... | 432.8 | 596.4 | 131.1 | 136.4 | 166.3 | 123.8 | 440.0 | 285.2 | 137.2 | 192.5 | 153.3 | 165.0 |
| Apr. ..... | 435.8 | 628.5 | 133.9 | 145.4 | 163.1 | 124.6 | 453.6 | 298.6 | 145.0 | 195.4 | 159.5 | 173.6 |
| May ..... | 474.2 | 679.8 | 137.6 | 147.6 | 158.2 | 133.0 | 476.4 | 322.8 | 152.6 | 204.0 | 162.4 | 179.3 |
| June ..... | 469.1 | 685.1 | 134.0 | 142.8 | 151.4 | 135.8 | 474.5 | 321.7 | 151.8 | 212.2 | 167.2 | 180.5 |
| July ..... | 503.6 | 718.4 | 138.3 | 138.2 | 151.6 | 135.5 | 480.1 | 331.4 | 156.4 | 215.4 | 169.4 | 182.3 |
| Aug. ..... | 520.8 | 744.3 | 145.4 | 142.1 | 161.2 | 142.6 | 497.6 | 348.5 | 156.7 | 217.3 | 170.2 | 187.0 |
| Sept. ..... | 510.7 | 750.1 | 151.9 | 145.0 | 154.1 | 144.5 | 509.4 | 347.6 | 159.0 | 215.0 | 170.4 | 189.5 |
| Oct. ..... | 499.0 | 740.0 | 156.8 | 150.8 | 167.0 | 144.9 | 500.0 | 342.7 | 158.8 | 217.4 | 171.4 | 190.2 |
| Nov. ..... | 523.2 | 789.3 | 158.4 | 158.4 | 170.2 | 150.9 | 519.8 | 358.7 | 156.6 | 224.2 | 173.8 | 199.5 |
| Dec. ..... | 554.9 | 830.4 | 156.5 | 163.5 | 175.2 | 150.8 | 521.5 | 385.6 | 162.9 | 227.0 | 181.8 | 206.8 |
| 1955 | | | | | | | | | | | | |
| Weekly Figures: | | | | | | | | | | | | |
| Jan. 6 ... | 546.3 | 827.2 | •154.0 | 161.7 | 179.1 | 153.2 | •511.5 | 392.5 | 166.0 | •230.3 | •180.5 | •205.6 |
| Jan. 13 ... | 554.7 | 835.6 | 158.1 | 164.4 | 178.5 | 154.8 | 511.7 | 394.8 | 167.2 | 229.3 | 181.9 | 207.8 |
| Jan. 20 ... | 551.5 | 838.0 | 158.1 | 159.1 | 180.6 | 154.6 | 512.1 | 393.5 | 163.8 | 230.9 | 180.0 | 206.1 |
| Jan. 27 ... | 564.3 | 861.1 | 161.5 | 158.9 | 180.1 | 156.1 | 508.5 | 402.9 | 165.6 | 232.6 | 181.6 | 209.6 |
| Feb. 3 ... | 573.0 | 873.1 | 172.5 | 160.8 | 181.1 | 155.9 | 509.0 | 405.7 | 168.4 | 237.3 | 181.8 | 211.8 |
| Feb. 10 ... | 586.8 | 869.8 | 168.4 | 161.2 | 177.4 | 158.3 | 518.8 | 410.6 | 167.6 | 241.4 | 184.0 | 214.3 |

•Revised.

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

### Toronto Stock Exchange Index

| | 20 Indus. | 20 Golds | 15 B.M. | 15 W.O. |
|---|---|---|---|---|
| Feb. 14 ..... | 362.57 | 81.81 | 169.86 | 109.17 |
| Feb. 11 ..... | 383.19 | 81.99 | 169.45 | 108.21 |
| Feb. 10 ..... | 386.58 | 81.89 | 168.35 | 107.82 |
| Feb. 9 ..... | 379.98 | 81.14 | 166.84 | 105.73 |
| Feb. 8 ..... | 377.98 | 80.28 | 165.44 | 102.45 |
| Month Ago . | 376.75 | 81.77 | 161.65 | 102.83 |
| Year Ago .. | 326.56 | 74.63 | 139.96 | 94.67 |
| 1954-55 High. | 385.83 | 82.50 | 170.34 | 109.76 |
| 1954-55 Low . | 311.85 | 67.74 | 136.96 | 83.06 |

### Dow-Jones Closing Stock Averages

| | 30 Indus. | 20 Rails | 15 Util. | 65 Stocks |
|---|---|---|---|---|
| Feb. 14 ..... | 411.39 | 145.69 | 63.62 | 152.07 |
| Feb. 11 ..... | 413.99 | 145.52 | 63.66 | 152.53 |
| Feb. 10 ..... | 412.89 | 146.02 | 63.30 | 152.54 |
| Feb. 9 ..... | 410.32 | 144.19 | 62.93 | 151.12 |
| Feb. 8 ..... | 405.70 | 141.72 | 62.32 | 149.19 |

### Montreal Stock Exchange Index

| | 10 Util. | 20 Indus. | 30 Com. | 10 Pprs. | 15 Golds |
|---|---|---|---|---|---|
| Feb. 14 .. | 120.9 | 252.3 | 208.5 | 1204.06 | 70.38 |
| Feb. 11 .. | 119.9 | 253.2 | 208.8 | 1199.17 | 70.04 |
| Feb. 10 .. | 119.8 | 251.3 | 207.4 | 1194.93 | 70.24 |
| Feb. 9 .. | 119.4 | 250.3 | 206.7 | 1192.81 | 69.53 |
| Feb. 8 .. | 119.2 | 248.8 | 205.6 | 1183.92 | 69.90 |
| Mon. Ago | 118.5 | 243.3 | 203.0 | 1183.75 | 69.84 |
| Year Ago. | 97.3 | 186.3 | 156.6 | 828.11 | 55.14 |
| 54-55 High | 120.9 | 253.2 | 208.8 | 1224.12 | 71.54 |
| 54-55 Low | 92.4 | 182.0 | 153.4 | 767.09 | 43.69 |

## Municipal Bonds

February 15, 1955

| | Coup. % | Matur. | Bid. $ | Ask. $ | Yld. % |
|---|---|---|---|---|---|
| Calgary ... | 3½ | '69 | 96¼ | 98¼ | 3.60 |
| Edmonton . | 3½ | '69 | 96¼ | 98¼ | 3.60 |
| Halifax .... | 3½ | '66 | 95¼ | 97¼ | 3.75 |
| Hamilton .. | 3 | '67 | 93 | 95 | 3.50 |
| Montreal .. | 3 | '70 | 90 | 92 | 3.65 |
| Moose Jaw | 3½ | '60 | 97¼ | 99¼ | 3.55 |
| Ottawa .... | 3¼ | '63 | 99¼ | 100¼ | 3.30 |
| Regina .... | 3 | '64 | 92¼ | 94¼ | 3.60 |
| S. John N.B. | 3½ | '65 | 95¼ | 97¼ | 3.80 |
| Toronto ... | 3 | '68 | 93¼ | 95¼ | 3.40 |
| Vancouver . | 3¼ | '69 | 99 | 100 | 3.75 |
| Victoria ... | 3¼ | '68 | 98 | 100 | 3.75 |
| Windsor ... | 2¾ | '75 | 77 | 79 | 4.25 |
| Windsor ... | 2¾ | '75 | 73¼ | 75¼ | 4.25 |
| Windsor ... | 3¼ | '75 | 87¼ | 89¼ | 4.25 |
| Winnipeg . | 3 | '69 | 93¼ | 95¼ | 3.40 |

## Bond Tenders

**12, noon, Feb. 18, 1955, Government of Canada Treasury Bills**—Payable May 20, 1955 and Nov. 18, 1955, $50,000,000. Dated Feb. 18, 1955.

**CANADIAN BREWERIES LTD.** issued 2,950 common shares on conversion of 4½% 10-year convertible sinking fund debentures. There are 2,588,659 common shares outstanding.

**CROWN ZELLERBACH CORP.** has issued 1,100 common shares under the selected employees' stock option plan. There are 7,688,931 shares in the treasury and 7,311,069 shares outstanding.

## Dividends Declared

| | This payment $ | Date payable | Date of record |
|---|---|---|---|
| Abitibi Pwr. & Pap. | .30 | Apr. 1 | Mar. 1 |
| Do. 4½% pfd. .... | .28¼ | Apr. 1 | Mar. 1 |
| Acadia-At. Sugar .. | .12½ | Apr. 1 | Mar. 10 |
| Do. A ..... | .30 | Apr. 1 | Mar. 10 |
| Do. 5% pf. ..... | 1.25 | Mar. 15 | Feb. 19 |
| Agnew-Surpass ..... | .10 | Mar. 1 | Jan. 31 |
| Aluminium Ltd. .. | 1.50 | Mar. 5 | Feb. 11 |
| Alum. of Can. 4% pf. ..... | .25 | Mar. 1 | Feb. 4 |
| Do. 5¼% ..... | 1.31 | Mar. 1 | Feb. 4 |
| Anglo-Can. Oil .... | .15 | Apr. 15 | Mar. 15 |
| Anglo-Can. Tel. A . | .15 | Mar. 1 | Feb. 10 |
| Anthes-Imp. ..... | .30 | Apr. 15 | Mar. 25 |
| Do. Pfd 6% ..... | 3.00 | Aug. 1 | Jul. 26 |
| Argus Corp. ..... | .20 | Mar. 1 | Jan. 31 |
| Do. 4½ pf ..... | 1.12½ | Mar. 1 | Jan. 31 |
| Ashdown Hdwe. A | .15 | Apr. 1 | Mar. 10 |
| Do. B ..... | .18 | Apr. 1 | Mar. 10 |
| Assoc. Tel. & Tel. . | 11.25 | Mar. 10 | Feb. 18 |
| Do. A .... | 11.00+2.00 | Apr. 1 | Mar. 1 |
| Aunor G. M. ..... | .04 | Mar. 1 | Feb. 11 |
| Auto Elec. Serv. .... | .15 | Mar. 15 | Feb. 18 |
| Do A ..... | .12½ | Mar. 15 | Feb. 18 |
| Bk. of Montreal ... | .30 | Mar. 1 | Jan. 31 |
| Banque Cdn. Nat. . | .25 | Mar. 1 | Feb. 15 |
| Barber Ellis ..... | .10 | Mar. 15 | Feb. 28 |
| Barymin ..... | .05 | Feb. 28 | Feb. 15 |
| Bathurst Pwr. & Pap. A ..... | .75 | Mar. 1 | Feb. 1 |
| Do. B ..... | .75 | Mar. 1 | Feb. 1 |
| Beaver Lumber A . | .25 | Apr. 1 | Mar. 10 |
| Do. pfd. ..... | .35 | Apr. 1 | Mar. 10 |
| Belleterre Que. .... | .05 | Mar. 15 | Feb. 15 |
| Bird Construct. .... | .60 | Mar. 31 | Mar. 15 |
| Do. ..... | .60 | Jun. 30 | Jun. 15 |
| Do. ..... | .60 | Sep. 30 | Sep. 15 |
| Do. ..... | .60 | Dec. 31 | Dec. 15 |
| Do. 5½ pf. ..... | 2.50 | Apr. 1 | Mar. 15 |
| Do. ..... | 2.50 | Oct. 1 | Sep. 1 |
| Brant. Cord. A .... | .25 | Mar. 1 | Feb. 4 |
| Do. B ..... | •.12½ | Mar. 1 | Feb. 4 |
| Br. Am. Bk. Nte. ... | .25 | Mar. 15 | Mar. 1 |
| Bridge & Tank pfd. | .72½ | Mar. 1 | Feb. 15 |
| Br. Amer. Oil .... | .21¼ | Apr. 1 | Mar. 2 |
| B.C. Packers A .... | .37½ | Mar. 15 | Feb. 28 |
| Do. B ..... | .25 | Mar. 15 | Feb. 23 |
| Burns & Co. A .... | .50 | Apr. 29 | Apr. 5 |
| Do. ..... | .50 | Jul. 29 | Jul. 8 |
| Do. ..... | .50 | Oct. 29 | Oct. 8 |
| Do. ..... | .50 | Jan. 29 | Jan. 8 |
| Do. ..... | .50 | Jul. 29 | Jul. 8 |
| Do. ..... | .50 | Oct. 29 | Oct. 8 |
| Burrard D. D. A .. | .11 | Mar. 15 | Feb. 21 |
| Cal. & Ed. Corp. ... | .05 | Apr. 15 | Mar. 11 |
| Canada Cement pf. | .32½ | Mar. 20 | Feb. 21 |
| Can. Cr. & Cut Stone ..... | .30 | Mar. 15 | Feb. 18 |
| Can. & Dom. Sug. .. | .25 | Mar. 1 | Feb. 10 |
| Can. Iron Fdries .... | .30 | Apr. 1 | Mar. 10 |
| Can. Malting ..... | .50 | Mar. 15 | Feb. 15 |
| Can. Perm. Mtge. .. | 2.10 | Apr. 1 | Mar. 15 |
| Do. ..... | 2.10 | Jul. 2 | Jun. 15 |
| Do. ..... | 2.10 | Oct. 1 | Sep. 15 |
| Do. ..... | 2.10 | Jan. 3 | Dec. 15 |
| Can. Safeway ..... | | | |
| 5% 1st pf. ..... | 1.25 | Mar. 1 | Feb. 1 |
| Do. 5% 2nd pf. .... | 1.25 | Mar. 1 | Feb. 1 |
| Can. Vinegars ..... | .20 | Mar. 1 | Feb. 15 |
| Can. W. & Cable A | 1.00 | Mar. 15 | Feb. 28 |
| Do. B ..... | .75 | Mar. 15 | Feb. 28 |
| Canadian Brew. .... | .31¼ | Apr. 1 | Feb. 28 |
| Cdn. Car & Fdry . | .20 | Feb. 22 | Feb. 1 |
| Do. A ..... | .25 | Feb. 22 | Feb. 1 |
| Cdn. Explor. ..... | •.20 | Mar. 30 | Mar. 22 |
| Cdn. Fairbanks-M. .. | .25 | Mar. 1 | Feb. 15 |
| Cdn. Gen. Elec. .... | 1.00 | Apr. 1 | Mar. 15 |
| Cdn. Gen. Invest .... | 27½+1.18 | Apr. 15 | Mar. 31 |
| Cdn. Ice Mach. A . | .20 | Apr. 1 | Mar. 16 |
| Cdn. Int. Inv. Tr. .. | .30 | Feb. 28 | Feb. 15 |
| Do. 5% pfd. ..... | 1.25 | Feb. 28 | Feb. 15 |
| Cdn. Marconi ..... | .06 | May 2 | Mar. 15 |
| Cdn. Oil Co's ..... | .12½ | Feb. 15 | Jan. 31 |
| Cdn. Pac. Rlwy. .. | .75 | Feb. 28 | Dec. 30 |
| Cdn. Pwr. & Pap. Sec's 5% pf. .... | .62½ | Feb. 28 | Feb. 4 |
| Cdn. Tire ..... | .15 | Mar. 1 | Feb. 21 |
| Do. pfd. ..... | .50 | Mar. 1 | Feb. 21 |
| Cdn. W. Nat Gas 4½ pf. ..... | .29 | Mar. 1 | Feb. 16 |
| Catelli Food A .. | 13+1.05 | Feb. 28 | Feb. 18 |
| Do. A ..... | .12 | May 31 | May 16 |
| Do. A ..... | .13 | Aug. 31 | Aug. 15 |
| Do. A ..... | .12 | Nov. 30 | Nov. 15 |
| Do. B ..... | .25+1.05 | Feb. 28 | Feb. 18 |
| Do. B ..... | .25 | May 31 | May 16 |
| Do. B ..... | .25 | Aug. 31 | Aug. 15 |
| Do. B ..... | .25 | Nov. 30 | Nov. 15 |
| Cent. Cdn. Invest. . | .20 | Apr. 1 | Mar. 24 |
| Do 5% pf. ..... | 2.50 | Jul. 2 | Jun. 23 |
| Chrysler Corp. .... | 1.75 | Mar. 12 | Feb. 21 |
| Commoll Ltd. ..... | .20 | Feb. 25 | Feb. 11 |
| Confed. Life ..... | .37 | Mar. 15 | Mar. 10 |
| Do. ..... | .37 | Jun. 15 | Jun. 10 |
| Do. ..... | .37 | Sep. 15 | Sep. 10 |
| Do. ..... | .33 | Dec. 15 | Dec. 10 |
| Cons. Paper ..... | .50 | Apr. 15 | Mar. 4 |
| Consumers Glass .. | .37½ | Feb. 28 | Jan. 31 |
| Cons. Theat. A .... | .13 | Mar. 1 | Feb. 1 |
| Continental Can .... | 1.75 | Mar. 15 | Feb. 25 |
| Continental Life .. | 1.30 | Aug. 1 | Jul. 29 |
| Dist.-Corp.-Seag. .. | .30 | Mar. 15 | Feb. 23 |
| Dom. & Anglo Invest. 5% pf. .. | 1.25 | Mar. 1 | Feb. 15 |
| Dom. Bridge .... | .10+1.30 | Feb. 25 | Jan. 31 |
| Dom. Found. ..... | .15 | Apr. 1 | Mar. 10 |
| Do. 4½% pf. .... | 1.12½ | Apr. 15 | Mar. 25 |
| Dom.-Scot. Inv. 5% pf. ..... | .62½ | Feb. 28 | Feb. 14 |
| Dom. Stores ..... | .20 | Mar. 15 | Feb. 17 |
| Dom. Tar & Chem. | .10 | May 2 | Apr. 1 |
| Do. $1 pf. ..... | .25 | Mar. 1 | Feb. 12 |
| Donohue Bros. .... | .30 | Mar. 1 | Feb. 12 |
| Eastern Theat. ..... | 2.00 | Feb. 25 | Feb. 17 |
| Eddy Pap. A ..... | .25 | Mar. 15 | Feb. 15 |
| Electroilux Corp. .. | .25 | Mar. 15 | Feb. 15 |
| Equitable Life .. | .65+1.10 | Feb. 21 | Feb. 14 |
| Ford Motor, A & B | 1.25 | Mar. 15 | Feb. 18 |
| Fraser Cos. .... | .25+1.20 | Apr. 26 | Apr. 9 |
| Gen. Dyn. | 1.10+••Stk. | Mar. 10 | Feb. 23 |
| Gen. Motors ..... | 1.00 | Mar. 10 | Feb. 14 |
| Gt. Lakes Pwr. 5% pf. ..... | .31¼ | Mar. 30 | Mar. 1 |
| Grafton & Co. A .. | .25 | Mar. 15 | Feb. 25 |
| Gulf Oil ..... | 1.50 | Mar. 10 | Feb. 7 |
| Gypsum Lime .... | .60 | Mar. 1 | Feb. 1 |
| Do. ..... | .60 | Jun. 1 | May 2 |
| Hahn Brass ..... | .25 | Apr. 1 | Mar. 10 |
| Do. A pfd. ..... | .20 | Apr. 1 | Mar. 10 |
| Hallnor M. ..... | .05 | Mar. 1 | Feb. 18 |
| Harn. Cot. ..... | .22½ | Mar. 1 | Feb. 10 |
| Do. 5% pf. ..... | 1.25 | May 16 | May 4 |
| Hinde & Dauch Pap. | .45 | Mar. 25 | Feb. 28 |
| How. Smith Pap. ..... | .25+1.20 | Apr. 30 | Mar. 31 |
| Do. pfd. ..... | .50 | Apr. 30 | Mar. 31 |
| Hudson Bay M. & S. ..... | 1.00 | Mar. 14 | Feb. 11 |

## Commodities

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle ..... | $19.77 | $19.74 | $13.29 |
| Hogs ..... | 26.34 | 26.71 | 34.60 |
| Copper, lb. ..... | .33 | .33 | .29½ |
| Sugar, raw, lb. .. | .0545 | .0547 | .0552 |
| Coffee, lb. ..... | .60 | .62 | .72¼ |
| Hides ..... | .12½ | .12 | .14½ |

Weekly Commodity Indices

| | | | |
|---|---|---|---|
| Dow Jones ..... | 172.27 | 170.75 | 169.63 |
| U. S. Labor ..... | 110.2 | •110.1 | 110.6 |

Monthly Commodity Indices

| | | | |
|---|---|---|---|
| Canada (D.B.S.) | | | |
| Retail (Jan.)† .... | 116.4 | 116.6 | 115.7 |
| Wsale (Dec.) ..... | 215.3 | 214.8 | 219.0 |
| C. P'm. Pro. (Dec.) | 204.7 | 203.8 | 210.2 |
| U. S. (Dec.) ..... | 109.5 | 110.0 | 110.2 |
| Gt. Brit. (Nov.) .. | 330.7 | •328.9 | 327.2 |

Note: †Cost-of-Living Index Revised to the Base of 1939=100.

•Revised.

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto. Copper-electrotype, New York Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

## Investment Trusts

| | Divd. pd. cents | Bid $ | Ask $ |
|---|---|---|---|
| Affiliated Funds . | ..... | 5.93 | 6.48 |
| All-Can. Comp. Fund | ..... | 3.94 | 4.28 |
| All-Can. Div. Fund | ..... | 3.90 | 4.24 |
| Balanced Mut. .. | (15) | 4.76 | 5.23 |
| Can. Invest. Fund | 8.29) | 7.83 | 8.64 |
| Canafund ..... | (110) | 30.32 | 33.20 |
| Com'wealth Inter. | 11(26) | 6.80 | 7.47 |
| Corporate Inv. .... | 6.25(26.5) | 7.53 | 8.18 |
| Diversified Inc. shs. B | 6(10) | 3.35 | 3.60 |
| Dom. Equity Inv. | (40) | 12.90 | 13.16 |
| Grouped Inc. .... | 5(22.5) | 6.46 | 7.04 |
| Inter-Amer. .... | (.29) | 10.84 | 11.87 |
| Investors Mut. .... | (.29) | 8.54 | 9.23 |
| Leverage Fund .. | (20) | 5.04 | 5.54 |
| Mut. Ac. F. .... | (22.546) | 5.32 | 5.76 |
| Mutual Income .. | (18.20) | 4.59 | 4.99 |
| Resources of Can. | 6(10) | 6.41 | 7.00 |
| Sup'vised Amer. .. | (6) | 5.63 | 5.69 |
| Sup'vised Gr'th Fund | 4.5+Stk. | 2.30 | 2.32 |
| Sup'vised Inc. Fund | 22+Stk. | 4.32 | 4.39 |
| Timed Invest. .... | (20) | †3.23 | *3.20 |
| Trans-Can. A .... | (73.4) | 23.70 | .... |
| Do. B ..... | (28.6) | 24.10 | .... |
| Do. C ..... | (15.6) | 5.00 | 5.35 |

†Less on (*) plus stock exchange commission.

•Paid or payable in 1955; total paid in 1954 in brackets.

## Dividends Declared (cont.)

| | This payment $ | Date payable | Date of record |
|---|---|---|---|
| Huron & Erie Mtge. ..... | 1¾% | Apr. 1 | Mar. 15 |
| Do. 20% pd. .... | 1¾% | Apr. 1 | Mar. 15 |
| Imp. Tob. 4% pf. | .08 | Mar. 1 | on redemp. |
| Imp. Varnish ..... | .30 | Mar. 1 | Feb. 16 |
| Do. $1.50 pf. .... | .37½ | Mar. 1 | Feb. 16 |
| Ind. Accept. 3% pf. ($100 par) .... | .66 | Feb. 17 | on redemp. |
| Do. 4¼% pf. ($100 par) .... | .56 | Feb. 17 | on redemp. |
| Do. 5% pf. ($30 par) ..... | .20 | Feb. 17 | on redemp. |
| Do. 5% pf. ($40 par) ..... | .27 | Feb. 17 | on redemp. |
| Ingram & Bell 6% pf. ..... | 1.50 | Mar. 1 | Feb. 25 |
| Int. Nickel ..... | †.55 | Mar. 21 | Feb. 21 |
| Int. Pap. ..... | †.75 | Mar. 14 | Feb. 18 |
| Do. $4 pf. ..... | †1.00 | Mar. 14 | Feb. 18 |
| Int. Pet. ..... | †.25 | Mar. 11 | Feb. 16 |
| Int. Util. ..... | †.40 | Mar. 1 | Feb. 10 |
| Do. pfd ..... | †.35 | May 2 | Apr. 14 |
| Interprov. Bldg. Cred. ..... | .20 | Mar. 1 | Feb. 14 |
| Interprov. Pipe L. .. | .30 | Mar. 1 | Feb. 14 |
| Invest. Found. .... | .37½ | Apr. 15 | Mar. 15 |
| Do. 6% pf. ..... | .75 | Apr. 15 | Mar. 15 |
| Jam. Pub. Serv. .. | .37½ | Apr. 1 | Feb. 28 |
| Jam. Pub. Serv. 7% pf. ..... | 1.75 | Apr. 1 | Feb. 28 |
| Lake of Woods Mill. 7% pf. .... | 1.75 | Mar. 1 | Feb. 1 |
| Alf. Lambert Inc. A | .15 | Mar. 31 | Mar. 15 |
| Do. ..... | .15 | Jun. 30 | Jun. 15 |
| Do. ..... | .15 | Sep. 30 | Sep. 15 |
| Do. ..... | .15 | Dec. 31 | Dec. 15 |
| Do. B ..... | .15 | Mar. 31 | Mar. 15 |
| Do. ..... | .15 | Jun. 30 | Jun. 15 |
| Do. ..... | .15 | Sep. 30 | Sep. 15 |
| Do. ..... | .15 | Dec. 31 | Dec. 15 |
| Lava Secord ..... | .20 | Mar. 1 | Feb. 1 |
| Leitch G. M. ..... | .03 | Mar. 15 | Feb. 28 |
| Leverage Fund .... | .08 | Mar. 15 | Feb. 28 |
| Loblaw Groc. A & B ..... | .37½ | Mar. 1 | Feb. 2 |
| Loblaw Inc. ..... | 1.25 | Feb. 26 | Feb. 18 |
| W. M. Lowney .... | .25 | Apr. 15 | Mar. 15 |
| Mackinnon Struct. St. 5% pf. ..... | 1.25 | Mar. 15 | Feb. 28 |
| McMillan & Bloedel B ..... | 1.20 | Feb. 28 | Feb. 10 |
| Mailman Corp. $1 Prior ..... | .25 | Mar. 31 | Mar. 17 |
| Do. $1 Prior. ..... | .25 | Jun. 30 | Jun. 16 |
| Massey-Harris ..... | .15 | Mar. 15 | Feb. 18 |
| McColl-Front ..... | .30 | Feb. 23 | Jan. 31 |
| McIntyre-Porc. .... | .50 | Mar. 1 | Feb. 1 |
| Mersey Pap. 5% pf. | 1.25 | Apr. 1 | Mar. 12 |
| Min. & Gen. Pap. .. | .60 | May 1 | Apr. 8 |
| Robt. Mitchell ..... | .23 | Mar. 15 | Feb. 18 |
| Molson's Prov. A ..... | .20+1.20 | Mar. 25 | Mar. 4 |
| Do. B ..... | .20+1.20 | Mar. 25 | Mar. 4 |
| H. Morgan ..... | .13¾ | Mar. 1 | Feb. 4 |
| Do. 4¾% pf. .... | 1.19 | Mar. 1 | Feb. 4 |
| Nat. Drug. ..... | .15 | Mar. 1 | Feb. 4 |
| Do. pfd. ..... | .15 | Mar. 1 | Feb. 4 |
| Nat. Grocers ..... | .15 | Apr. 1 | Mar. 15 |
| Do. $1.50 pfd. .. | .37½ | Apr. 1 | Mar. 15 |
| Nat. Lead 7% pf. . | †1.75 | Mar. 15 | Feb. 18 |
| Nfld. Lt. & Pwr. .. | .30 | Mar. 1 | Feb. 10 |
| Nonda M. ..... | 1.00 | Mar. 15 | Feb. 17 |
| Normetal Min. .... | .08 | Mar. 31 | Mar. 4 |
| Nor. Que. Pwr. 5% 1st. pf. ..... | .68 | Mar. 15 | Feb. 23 |
| N.S. Lt. & Pwr. 4% pf. ..... | 1.00 | Mar. 1 | Feb. 3 |

## DIVIDEND NOTICES

### THE ROYAL BANK OF CANADA

Notice is hereby given

(1) That at the annual general meeting of the shareholders of The Royal Bank of Canada held at the City of Montreal on the 13th day of January, 1955, By-law 12 was enacted by the shareholders as follows:

By-law 12. The authorized capital stock of the Bank is hereby increased from Fifty million dollars ($50,000,000) divided into Five million (5,000,000) shares of the par value of Ten dollars ($10) each to One hundred million dollars ($100,000,000) divided into Ten million (10,000,000) shares of the par value of Ten dollars ($10) each.

(2) That The Royal Bank of Canada intends to apply to the Treasury Board of Canada, in accordance with Section 35 of the Bank Act, for a certificate approving of the said By-law.

T. H. ATKINSON,
General Manager.

### CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

**DIVIDEND NOTICE**

Notice is hereby given that a dividend of one dollar per share for the quarter ending March 31, 1955, has been declared on the Common Stock of the Company.

The above dividend is payable April 1, 1955, to shareholders of record at the close of business March 15, 1955.

By order of the Board.
W. H. NESBITT,
Secretary

Toronto, February 9, 1955.

### EDDY PAPER COMPANY LIMITED

**Notice of Dividend on Class "A" Shares**

The Board of Directors has declared a quarterly dividend of 25 cents ($.25) a share on the outstanding Class "A" shares of the Company, payable March 15, 1955, to shareholders of record at the close of business on February 15. Cheques in payment will be mailed to the shareholders of record. Stock transfer books will not close.

R. F. CALDWELL,
Secretary.

Hull, Canada.
February 7, 1955.

### LEVERAGE FUND OF CANADA LTD.

**Dividend No. 21**

Notice is hereby given that a dividend of EIGHT CENTS per share has been declared on the outstanding Common Shares of the Capital Stock of the Company, payable on 15th March 1955, to Shareholders of record at the close of business on 28th February 1955.

Holders of Bearer Share Warrants may present Coupon No. 21 for payment to any branch in Canada of the Royal Bank of Canada, on and after 15th March 1955.

By Order of the Board.
W. Howard Wert, C.A.
Secretary-Treasurer.

Montreal, 3rd February 1955.

### SIMPSONS, LIMITED

COMMON SHARES

*Dividend Notice*

NOTICE is hereby given that a Dividend of twelve and one-half cents (12½c.) per share on the outstanding Common Shares of the Company has been declared payable March 15, 1955 to shareholders of record as at the close of business on February 18, 1955.

The transfer books will not be closed.

By order of the Board.
Frank Hay,
Secretary and Treasurer

Toronto, February 10, 1955.

### United Steel Corporation LIMITED

**DIVIDEND *Notice***

Notice is hereby given that a semi-annual Preferred Stock Dividend of seventy-five (75) cents per share has been declared, payable May 2nd, 1955, to shareholders of record April 12th, 1955.

By Order of the Board.
SALTER A. HAYDEN
Secretary

February 9th, 1955

UNITED STEEL
CORPORATION LIMITED

### United Steel Corporation LIMITED

***35th* DIVIDEND**

Notice is hereby given that a quarterly Common Stock dividend of twenty-five (25) cents per share has been declared, payable March 31st, 1955 to shareholders of record, March 10th, 1955.

By Order of the Board.
SALTER A. HAYDEN
Secretary

February 9th, 1955

UNITED STEEL
CORPORATION LIMITED

### Abitibi

DIVIDEND NOTICE

Notice is hereby given that dividends, in the respective amounts per share set out below, have been declared payable April 1, 1955, to shareholders of record at the close of business, March 1, 1955, on the following outstanding shares of ABITIBI POWER & PAPER COMPANY, LIMITED:

Preferred 28½c per share
Common 30c per share

By Order of the Board.
L. B. POPHAM, Secretary.

Toronto, February 10, 1955.

## DIVIDEND NOTICES

### WAITE AMULET MINES, LIMITED

**DIVIDEND NOTICE**

NOTICE is hereby given that an interim dividend of Thirty-five Cents (35c) per share has been declared by the Directors of Waite Amulet Mines, Limited payable March 10th, 1955, to Shareholders of record at the close of business February 16th, 1955.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario,
February 9, 1955.

### HALLNOR MINES, LIMITED

(No Personal Liability)

**DIVIDEND NOTICE**

NOTICE is hereby given that an interim Dividend of Five Cents (5c) per share, has been declared by the Directors of HALLNOR MINES, LIMITED (No Personal Liability) payable March 1st, 1955, to Shareholders of record at the close of business February 18th, 1955.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario,
February 11th, 1955.

### INGRAM & BELL

**PREFERENCE DIVIDEND NO. 14**

Notice is hereby given that the annual dividend of $6.00 per share for the fiscal year ending February 26, 1955, has been declared on the outstanding 6% Cumulative Preference Shares of the Company, payable on March 15, 1955, to shareholders of record at the close of business on February 25, 1955.

By Order of the Board.
W. F. JONES,
Secretary.

Toronto, February 10, 1955.

### NORANDA MINES, LIMITED

**DIVIDEND NOTICE**

NOTICE is hereby given that an interim dividend of One Dollar ($1.00) per share, Canadian Funds, has been declared by the Directors of Noranda Mines, Limited, payable March 15th to Shareholders of record February 17th, 1955.

By Order of the Board,
C. H. WINDELER,
Secretary.

TORONTO, Ontario,
February 10th, 1955.

### CANADIAN WESTERN NATURAL GAS COMPANY LIMITED

**DIVIDEND NOTICE**

NOTICE is hereby given that a quarterly dividend of Twenty Cents (20c) per share on the Cumulative Redeemable Preference Shares 4% Series of the par value of $20.00 each of the Company will be paid on the 1st day of March, 1955, to all shareholders of record at the close of business on the 15th day of February, 1955.

DATED at Calgary, Alberta, this 1st day of February, A.D. 1955.

By Order of the Board.
S. C. MURISON,
Secretary.

### REDEMPTION OF PREFERRED STOCK

### PEOPLES CREDIT JEWELLERS LIMITED

Pursuant to the provisions of the conditions attaching to the Preferred Shares of Peoples Credit Jewellers Limited, Peoples Credit Jewellers Limited has caused to be drawn by lot for Sinking Fund purposes for redemption 249 of the issued Preferred Shares of the Company. The redemption price will be paid at the office of The Toronto General Trusts Corporation, 253 Bay Street, Toronto, on March 1, 1955. Notice of redemption has been mailed to Shareholders whose shares are to be redeemed.

By Order of the Board.
BERTRAND GERSTEIN,
Secretary.

### BARYMIN COMPANY LIMITED

**DIVIDEND NO. 17**

NOTICE IS HEREBY GIVEN that a dividend of five cents per share has been declared by the Directors of the Company, payable in Canadian funds, on February 28, 1955, to shareholders of record at the close of business February 15, 1955.

By Order of the Board.
W. W. McBRIEN,
Secretary-Treasurer.

February 4, 1955.

### CANADA WIRE & CABLE COMPANY

The Board of Directors of this Company have today declared the following Dividends:

**CLASS "A" COMMON**

Declared and set aside $4.00 per share on the outstanding Class "A" Common Stock of the Company of which the sum of $1.00 per share is to be paid on the 15th of March, 1955, to Shareholders of record 28th February, 1955.

**CLASS "B" COMMON**

An interim Dividend of 75¢ per share on the outstanding Class "B" Common Stock of the Company, payable on the 15th of March, 1955, to shareholders of record 28th February, 1955.

By Order of the Board,
P. G. TURNER, F.C.I.S.,
Secretary

Toronto, February 11th, 1955

### ST. LAWRENCE CORPORATION LIMITED

Notice is hereby given that a regular quarterly dividend of Fifty Cents (50c) per share has been declared on the outstanding Common Shares of St. Lawrence Corporation Limited, payable in lawful money of Canada, on April 25th, 1955, to the Shareholders of record at the close of business on April 1st, 1955.

By Order of the Board of Directors.

J. E. MARTIN,
Secretary.

840 Sun Life Building,
Montreal, Quebec.
February 7, 1955.

# Market Comment

**What stocks and bonds are doing and what prominent observers say**

Although New York markets flattened out this week with volume slackening off somewhat, the market tone was one of continued strength. In view of continuing good corporate news and no worsening in the cold war, resumption of the market uptrend appears likely.

The lowering premium on the Canadian dollar is narrowing the Canadian-U.S. market spread on the big Canadian interlisted stocks, with such issues as International Nickel and CPR moving up fractionally closer to the U.S. prices.

Failure of the long-anticipated speculative mining boom to gather momentum so far this year is beginning to raise some doubts as to whether it will be able to before the customary March sell-off associated with spring stock exchange audits

Exceptionally high copper prices in U.K. are again putting a new upward pressure on U.S. and Canadian prices. Copper stocks are all strong reflecting the firm price situation.

* * *

**ARTHUR A. McLAUGHLIN; Baker, Weeks & Co. (Montreal).**

Bullish forces still appear to be in command in the stock market. The rally from the mid-January lows has not been as dynamic as the phase of the rise which culminated at the turn of the year, but it had demonstrated enough vigor, in my opinion, to justify the expectation that the uptrend will continue at least a few weeks longer before anything resembling a worthwhile reaction is likely to take place. The business trend continues favorable, corporation news is decidedly stimulating and fears of a drastic stiffening of monetary policy seem to be subsiding.

The background thus remains favorable to the rising tide of confidence which has played a major part in the advance of stock prices during the past 17 months. As a matter of fact, the odd lot trading statistics show a swing toward the buying side which is symptomatic of the beginning of a state of excessive public optimism toward the stock market. Unless this trend is reversed fairly soon, it could conceivably develop into the type of corrective reaction of intermediate proportions.

It should be emphasized, however, that the indications so far apparent are of a preliminary nature only. Excessive enthusiasm would have to be protracted over a fairly long period of time before the market could build up the kind of distributional top that would warrant the expectation of a major decline in prices, let alone an outright reversal of the postwar bull market.

Present probabilities in the direction of higher prices are such that the cash ratio hardly needs to be more than 20%-25% in most long-term investment accounts. Such a defensive position appears to be adequate protection against any price decline foreseeable until the evidence of deterioration in the market's technical strength becomes more pronounced.

* * *

**J. E. GRASETT; J. E. Grasett & Co. (Toronto).**

Bullish enthusiasm has carried the prices of the great majority of equity securities to levels which have more than discounted any potential increase in earnings and dividends. It is true that there are definite indications of an improvement in business which might carry on for some months, and a steadily increasing supply of funds seeking investment. Under these circumstances there is a tendency to capitalize corporate earnings on a higher basis with resultant lower yields and a higher ratio of market price to earnings.

The situation in the Far East will bear careful watching. Should the strained relations between U.S.A. and Communist China deteriorate into a shooting war, common stock quotations would definitely be lower.

All investment portfolios should be reviewed with a view to making switches which would conserve capital and strengthen the position.

Activity in the extremely speculative issues continues unabated with the "Diamond Drill Market" providing profits for the promoters, commissions for the brokers and eventually headaches for the shareholders in the majority of cases. What percentage of prospects will ever develop into profitable producers?

* * *

**DOMINION SECURITIES CORP. (Toronto).**

Whatever the investment requirement of each individual, it is our opinion that the degree of retrenchment in portfolios should be greater than it was a year ago when common stocks were lower in price. Common stocks held in portfolios today should lean to the better quality issues.

This will imply some sacrifice of income. When the volatility of common stocks is taken into account, however, the sacrifice of yield is a small price to pay for the reasonable assurance that the leading companies will ultimately share fully in Canada's promising future.

* * *

**BARRON'S; The Trader (New York).**

In the world of business, the most striking development is the acceleration of the rising trend of incoming orders, which constitute the most accurate forecast of industrial activity. On a weekly basis new orders are at a level 30% higher than a year ago. In the past four months the gain has been twice as much as in the preceding eight months.

**INTERNATIONAL UTILITIES CORP.** has outstanding at Jan. 31, 1955, 1,033,059 common and 176,528 $1.40 cumulative convertible preferred shares.

## DIVIDEND NOTICES

### HOLLINGER CONSOLIDATED GOLD MINES, LIMITED

**DIVIDEND NUMBER 422**

A dividend of 6c per share has been declared by the Directors on the Capital Stock of the Company, payable on the 31st day of March, 1955, to shareholders of record at the close of business on the 3rd day of March, 1955.

DATED the 14th day of February, 1955.

P. C. FINLAY,
Secretary.

### WATEROUS EQUIPMENT LIMITED

**NOTICE OF PREFERRED STOCK DIVIDEND NO. 6**

A dividend of sixty cents (60c) per share on the 6% Cumulative Redeemable Convertible Preference Shares of the Company has been declared, payable March 15, 1955, to Shareholders of record March 1, 1955.

By Order of the Board.
F. O. DELAY,
Secretary.

### WATEROUS EQUIPMENT LIMITED

**Notice of Common Stock Dividend No. 2**

A dividend of twenty-five cents (25c) per share on the Common Shares of the Company has been declared payable March 15, 1955, to Shareholders of record March 1, 1955.

By Order of the Board,
F. O. DELAY,
Secretary.

Edmonton, Alberta,
February 11, 1955.

### RENABIE MINES LIMITED

(No Personal Liability)

**DIVIDEND NO. 4**

Notice is hereby given that a dividend of five (5c) cents per share has been declared on the issued capital stock of this company and will be paid in Canadian funds on March 15th, 1955, to shareholders of record at the close of business February 22nd, 1955.

By Order of the Board.
H. W. SALTHOUSE,
Secretary.

Toronto, Ontario,
February 14, 1955.

### MACASSA MINES LIMITED

(No Personal Liability)

**DIVIDEND NO. 71**

Notice is hereby given that a dividend of three (3c) cents per share has been declared on the issued capital stock of this company and will be paid in Canadian funds on March 15th, 1955, to shareholders of record at the close of business February 19th, 1955.

By Order of the Board.
H. W. SALTHOUSE,
Secretary.

Toronto, Ontario,
February 14, 1955.

### NOTICE

### WATEROUS EQUIPMENT LIMITED

**Notice of Redemption**

TO: The holders of the Cumulative Redeemable Convertible 6% Preference Shares of Waterous Equipment Limited.

NOTICE IS HEREBY GIVEN that Waterous Equipment Limited (hereinafter called the "Company") will on the 1st day of April, 1955, redeem the whole of the presently outstanding Cumulative Redeemable Convertible 6% Preference Shares of the par value of $40.00 each in the capital stock of the Company (hereinafter called the "Preference Shares") by payment to or to the order of the registered holders of such Preference shares of the sum of $42.50 per share plus accrued and unpaid dividends to the said 1st day of April, 1955, (making a total redemption price of $42.61 per share) upon presentation and surrender of the certificates representing the said Preference shares at the office of National Trust Company, Limited, Toronto.

BY ORDER OF THE BOARD OF DIRECTORS,

F. O. DELAY,
Secretary-Treasurer

February 14, 1955

### NOTICE TO SHAREHOLDERS OF TRANS-PRAIRIE PIPELINES LTD.

In the near future your Directors will be sending you a progress report on the Company's operations to date. It is important that shares in street form are registered in the name of the owner without delay.

J. S. STARCK,
Secretary-Treasurer.

Winnipeg, Manitoba,
February 19th, 1955.

# Company Reports

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Construction

**BUILDING PRODUCTS LTD.**, net profit for 1954 was $1,587,007, 7.2% less than net of 1953 of $1,710,778.

Reduction in net profit was "due primarily to the heavy impact of fixed charges and starting up expenses on the Edmonton paper mill, with very little offsetting production for sale," says President L. F. Long. Starting problems on the mill are now largely solved, continues the president, and the mill should contribute substantially to the company's profit position in 1955.

Net additions to fixed assets amounted to $1,427,227. Besides the new mill, additions made to warehousing facilities at Hamilton were completed in time for most of the active shipping season.

A new granule coloring plant at Havelock, and additions to warehousing and manufacturing facilities at Pont Rouge, Que., are under way. Additional land adjacent to the Montreal and Winnipeg plants was acquired.

Activity in housing starts increased rapidly after a slow spell at the beginning of the year; the final number will probably exceed the previous record of 1953, and the carry-over of housing construction into 1955 will be substantial, says Mr. Long. The new housing legislation has made ample mortgage funds available through the banks, and the demand for housing continues strong due to the high rate of new family formation, a continuing trend away from rural and city districts to suburban areas, a general desire for improved living quarters coupled with an income level which permits "some satisfaction of those desires," reports the president.

Plan of government sponsored lending should stimulate repair and modernization work involving company's products, states Mr. Long. Under the plan chartered banks will lend money for modernization purposes at 5½%, with loans up to $1,250 to be repaid in three years and larger sums up to five years. Loans are insured by the government, premium being a flat 1% of the amount of the loan.

An extensive restyling program has been undertaken, products being introduced to the public early in January. They are already receiving favorable notice, says Mr. Long. As of Jan. 1, a revised contributory pension plan went into effect.

**CONDENSED BALANCE SHEET**

| As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash & Dom. bds. | $3,852,887 | $4,358,907 |
| Accts. rec. | 1,537,109 | 1,356,270 |
| Inventories | 3,165,461 | 3,047,419 |
| Total curr. assets | 8,555,457 | 8,762,596 |
| Prep. exp & | 80,171 | 74,440 |
| Fixed assets* | 4,074,607 | 3,302,329 |
| Total assets | 12,710,235 | 12,139,365 |
| tax., etc., p. | 2,191,522 | 2,227,494 |
| b. due | 125,000 | 125,000 |
| Total curr. liab. | 2,316,522 | 2,352,494 |
| Funded debt | ..... | 125,000 |
| Gen. & replace. res. | 800,000 | 785,074 |
| Capital stock | 1,483,110 | 1,483,110 |
| Surplus | 8,110,603 | 7,393,687 |
| *After depr. of | 5,288,071 | 4,655,690 |
| †Incl. in curr. | | |
| Working capital | 6,238,935 | 6,410,102 |

Contingent liability at Dec. 31, 1954, amounted to $60,000.

**INCOME ACCOUNT**

| Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Net earnings | $3,542,669 | $3,793,253 |
| Less: Deprec. res. | 654,949 | 572,951 |
| Debenture int. | 4,869 | 8,307 |
| Prov. for taxes | 1,300,000 | 1,496,000 |
| Add: Prof. on sale of f.a. & invests. | 4,156 | †5,217 |
| Net profit | 1,587,007 | 1,710,778 |
| Less: Com. divds. | 870,091 | 870,091 |
| Surplus for year | 716,916 | 840,687 |
| Earnings per Share and Dividend Record: | | |
| Common | $3.28 | $3.54 |
| Paid | 1.80 | 1.80 |

## Pulp, Paper

**GREAT LAKES PAPER CO.**, Fort William, Ont., consolidated net profit for 1954 was $3,116,444, 4.8% higher than consolidated net of $2,973,088 in 1953.

Reduction of sales in pulp more than offset a modest increase in newsprint sales, says President C. J. Warwick Fox. Value of newsprint sales in 1954 was $18.3 millions compared with $18.2 millions in 1953. Sulphite pulp dropped from $2.6 millions in 1953 to $2 millions last year, and other wood pulp sales went from $76,830 in 1953 to $77,946 in 1954.

After reviewing the report and recommendations of consulting engineers, company has authorized an initial expenditure of $1.6 millions. Of this, $750,000 will be spent on replacing and augmenting certain equipment in the steam plant, and the balance on additions and alterations elsewhere in the mill.

These expenditures should result in a modest increase in production, says the president, and an improvement in the quality of the products. Company anticipates capacity newsprint production and an improvement in pulp operations in 1955.

In view of the new Corporations Act which came into effect in Ontario in 1954, a new general administrative bylaw will be submitted to the shareholders at the annual and special general meeting, to govern the affairs of the company.

**CONSOL. INCOME ACCOUNT**

| Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Net sales | $20,377,433 | $20,457,635 |
| Net oper. profit | 7,305,523 | 7,347,035 |
| Less: Depletion | 41,462 | 47,626 |
| Depreciation | 1,061,742 | 1,243,375 |
| Bond interest | 113,818 | 129,721 |
| Tax prov. | 2,972,037 | 2,953,225 |
| Net profits | 3,116,444 | 2,973,088 |
| Less: A & B divds. | 201,394 | 284,095 |
| Com. divds | 1,920,000 | 1,920,000 |
| Surplus for year | 995,050 | 768,993 |

•Does not include profit of $26,567 on disposal of fixed assets in 1954 and $12,881 on disposal of investments in 1953.

| Times Bond Interest Earned: | | |
|---|---|---|
| Before depr. & depl. | 64.19 | 56.64 |
| After depr. & depl. | 54.49 | 46.69 |
| Earnings per Share and Dividend Record: | | |
| Class A & B | †$31.16 | $17.95 |
| Cl. A: Paid | 1.25 | 2.50 |
| Cl. B: Paid | 1.20 | 1.20 |
| Common | 2.43 | 2.24 |
| Paid | 1.60 | 1.60 |

†Class B shares only. Class A shares redeemed during 1954.

**CONDENSED CONSOL. BALANCE SHEET**

| As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash | $4,728,553 | $3,996,152 |
| Govt. bds. | 26,000 | ..... |
| Accts. rec. | 2,356,968 | 2,252,669 |
| Sh. term. tr. notes | ..... | 1,500,000 |
| Invent. & adv. | | |
| woods oper.* | 5,017,493 | 7,134,107 |
| Total curr. assets | 12,129,014 | 14,882,928 |
| Misc. assets | 386,713 | 337,237 |
| Fixed assets† | 6,304,708 | 7,072,065 |
| Timber limits† | 2,816,853 | 2,918,315 |
| Total assets | 21,637,288 | 25,210,545 |
| Accts. & tax. pay. | 3,188,581 | 3,347,349 |
| Divd. pay. | 480,000 | 480,000 |
| Share purchase | ..... | 148,469 |
| Bd. int. & s.f. | 397,000 | 435,406 |
| Total curr. liab. | 4,065,581 | 4,411,224 |
| Funded debt | 2,721,000 | 3,141,000 |
| Share pur. | ..... | 420,000 |
| Conting. res. | 977,311 | 977,311 |
| Capital stock | 3,500,000 | 6,125,720 |
| Surplus | 10,373,396 | 10,135,290 |
| •After res. of | 800,000 | 800,000 |
| After depr. of | 16,820,783 | 15,942,334 |
| ▲After depl. of | 2,138,713 | 2,117,251 |

•Not consolidated.
†Incl. in curr. assets in co's report.

| Working capital | 8,063,433 | 10,471,704 |
|---|---|---|

‡Reserves for inventories, depreciation and depletion are carried under liabilities on company's report.

## Financial

**UNITED CORPORATIONS LTD.** net profit for 1954 was $777,697, 8.4% higher than net for the previous year of $717,206.

After retirement of $100,000 4% bonds, asset valuation at Dec. 31, was $25.4 millions compared with $19.4 millions at Dec. 31, 1953. Net equity applicable to the Class B shares was $22.65 per share compared with $16.33 in 1953, an increase of 38.7%.

Number of securities in company's portfolio was 177, geographically distributed as follows:

—Canada: 80.31%
—United States: 17.81%
—United Kingdom: 1.61%
—Foreign (excluding U. S.): 0.27%.

Annual meeting is March 24, 1955.

**INCOME ACCOUNT**

| Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Net earnings | $850,398 | $795,741 |
| Less: Bond int. | 72,296 | 78,167 |
| Income taxes | 403 | 368 |
| Net profit | 777,697 | 717,206 |
| Less: Cl. A divds. | 78,356 | 78,356 |
| Cl. B divds. | 671,412 | 623,454 |
| Surplus for year | 27,929 | 15,396 |
| Times Bond Int. Earned | 11.76 | 10.18 |
| Earnings per Share and Dividend Record: | | |
| Cl. A: Earned | $14.89 | $13.73 |
| Paid | 1.50 | 1.50 |
| Cl. B (new)*: Earned | 0.73 | 0.67 |
| Paid | 0.40+0.30 | 0.30+0.25 |
| Cl. B (old): Earned | ... | ... |
| Paid | ... | 0.40 |

*After 4-for-1 stock split in Mar., 1953.

**CONDENSED BALANCE SHEET**

| As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash | $401,874 | $372,003 |
| Investments† | 14,377,363 | 13,559,951 |
| Accrued int. | 58,037 | 47,454 |
| Prep. ins. & tax. | 1,425 | 517 |
| Office furn. & fixt. | 1 | 1 |
| Total assets | 15,635,700 | 13,979,926 |
| Accts., tax. pay, etc. | 1,903 | 3,170 |
| Divd. pay | 239,790 | 191,832 |
| Bond int. accr. | 33,000 | 34,833 |
| Funded debt | 1,800,000 | 1,900,000 |
| Capital | 119,394 | 119,394 |
| Surplus income | 558,427 | 530,498 |
| Surplus—invests. | 12,283,196 | 11,200,209 |
| †Market value | 24,509,836 | 18,579,661 |

**SAVINGS & INVESTMENT CORP.**, Quebec, total assets at Nov. 30, 1954, amounted to $7,015,425, 33.5% higher than the previous fiscal year's figure of $5,254,812.

| As at Nov. 30: | 1954 | 1953 |
|---|---|---|
| Cash | $286,971 | $241,477 |
| Investments | 2,007,306 | 1,332,082 |
| First mortgages | 4,130,973 | 3,207,991 |
| Other assets | 590,175 | 472,262 |
| Total assets | 7,015,425 | 5,254,812 |
| Current liabilities | 17,035 | 14,123 |
| Reserves | 6,809,128 | 5,076,156 |
| Capital surplus | 189,262 | 164,523 |

## New Highs and Lows

During the week ended Feb. 12, 78 new highs and nine new lows were recorded among the general stocks in Canadian stock exchanges. In the mining group there were 36 new highs and 15 new lows. In Western oils there were seven new highs and no new lows.

**GENERAL**

**New Highs—1954-55**

| | |
|---|---|
| Aluminium | Int. Nickel |
| Anglo-Nfld. Dev. | Int. Paper |
| Bk. of Nova Scotia | Do. pfd. |
| Burlington Steel | Int. Util. pfd. |
| Can. Cement | Inter-State "A" |
| Can. Iron | Jamaica Pub. |
| Cdn. Bank of Com. | Lake of Woods |
| Cdn. Breweries | Loblaw Inc. |
| Cdn. Canners | London Can. Inv. |
| Cdn. Gen. Inv. | London Hose |
| Cdn. Int. I. Tr. pfd. | Lower St. Law. Pr. |
| Cdn. Loco | Lucky Lagar |
| Cdn. Oil 6% | MacMill. & Blo. B |
| Cdn. Pwr. & Paper | Mersey Paper |
| Cdn. Vickers | Milton Brick |
| Celtic Knit | Mitchell, Robt. |
| Chatco Steel | Nat. Grocers |
| Comb. Enterprises | Nfld. Light |
| Conf. Life | Noranda |
| Cons. Mng. & Sm. | North Star Oil |
| Corby's "A" | Northwest Ut. pfd. |
| R. L. Crain | Power Corp. |
| Crown Trust | Quebec Pwr. |
| Crows Nest | Rolland Paper |
| Disher Steel | Royal Bank |
| Dom. Foundries | Shawinig'n 4% pfd. |
| Dom. Magnesium | Silknit pfd. |
| Dom. Tar | Southam |
| Ecom. Invest. | Stand. Paving |
| Electra Invest. | Sterling Trust |
| Federal Grain | Superior Propane |
| Gen. Dynamics | Tor.-Dom. Bank |
| Gt. Lakes Paper | Traders Fin. B |
| Gt. West Life | Do. A rts. |
| Hendershot Paper | Victoria & Grey |
| Horner "A" | Waterous Equip. |
| Howard Smith | Western Ply. B |
| Imperial Tobacco | Westminster Pap. B |
| Inglis, John | Woods Mfg. |

**New Lows—1954-55**

| | |
|---|---|
| Butterfly | Prov. Transport |
| Cons. Press A | Sangamo |
| Ham. Cotton | Shawinigan Pr. rts. |
| Imperial Varnish | Toronto Iron A |
| Nat. Hose B | |

**MINING**

**New Highs—1954-55**

| | |
|---|---|
| Aconic | Hudson Bay |
| Algom | Int. Nickel |
| Base Metals | Lake Dufault |
| Bunker Hill | Lomega |
| Can-Met Explor. | Mogador |
| Cassiar Asb. | Nello |
| Cons. Fenimore rts. | New Kelore |
| Cons. Halliwell | New Laguerre |
| Cons. Howey | Newnorth |
| Cons. Nicholson | Noranda |
| Cons. Smelters | Opemiska |
| D'Aragon | Preston East Dome |
| Decoursey B | Pronto |
| Glenora | Do. warr. |
| Gulf Lead | Regcourt |
| Gunnar Gold | Ventures |
| Do. warr. | Wekusko |
| Heath | Yale Lead |

**New Lows—1954-55**

| | |
|---|---|
| Akaitcho | Kerr Addison |
| Aquarius | Kirkland Hud. Bay |
| Belcher | New Dickenson |
| Belleterre | Nipissing rts. |
| Cons. Mosher | Sunshine |
| Decoursey-Brewis | Taylor Bridge |
| Giant Yellowknife | Tungsten |
| Gulch Lead | |

**OILS**

**New Highs—1954-55**

| | |
|---|---|
| Cdn. Decalta | New British |
| Do. warr. | Sapphire |
| Castle Oil & Gas | Western Warner |
| Gridoil | |

# Another Alberta Budget To Exceed $200 Millions

EDMONTON — A provincial budget in excess of $200 millions is expected during the third session of the 12th Alberta legislature opening this week.

The 1954 budget provided for expenditure of nearly $205 millions.

Oil revenues continue to play a major part in the province's financing, though a recent sale suggested that there might be a "tapering off" at hand.

During the nine months ended Dec. 31, 1954, the government took in $32,340,850 in revenue from sales of crown-owned gas and oil leases. This was nearly $13 millions over the comparable period of the previous year.

Since the first of this year, there has been one oil lands sale which netted the provincial treasury $3,483,000, smallest sale of the fiscal year which ends March 31. So far in the current fiscal year the government has received approximately $39 millions from sales of leases and oil reservation rights.

Provincial government capital and operating expenditures in the nine months ended Dec. 31, totaled $164,983,000 and made it necessary to take $14,521,000 from the cash investments fund. Capital payments of $78 millions exceeded the cash surplus and capital receipts.

Total expenditures in the nine months period were about $40 millions less than had been estimated for the full fiscal year. This was due in large part to wet weather last summer delaying highway work.

So far, there has been little to indicate the government's full program of legislation for the 1955 spring session.

One of the proposals is for an Alberta Securities Act. This would be similar to securities acts in Ontario and Saskatchewan. It would place in one act regulations now found in several provincial statutes.

Entitled "An Act for the Prevention of Fraud In Connection With the Sale of Securities," the proposed legislation would set up a three-member securities commission appointed by the cabinet. The comission would have power to refuse registration to persons having less than one year's residence in Alberta. Also, it could order an investigation when a statement is made on oath that a fraud has been committed or is believed to have been committed.

The government's attitude on possible car insurance legislation also is being watched with particular interest. Both of the big farmers' groups, the Alberta Federation and the Farmers' Union of Alberta, the latter comprising 61,000 members, have urged car insurance under government auspices.

Recently, the executives of the two farm groups recommended to their directors that a joint committee be set up to make a study of compulsory government car insurance and a plan of financing it. One suggestion is that the plan be financed out of the 10 cents a gallon provincial gasoline tax.

Some political observers also are looking for indications of a provincial general election this year. Ordinarily, an election would not be due until 1956, if the government followed its usual course of having a general vote every four years. But the intensified Social Credit organization activity, including the appointment of two full-time paid organizers for the first time, and other steps, has aroused speculation.

The CCF party does not propose to be caught napping in case of an election, it appears. This party has nominated one candidate and will name another choice for a rural seat at a nominating convention in March.

**CANADIAN BANK OF COMMERCE** added an additional 750,000 shares to the list of the Montreal Stock exchange, subject to official notice of issuance, on Feb. 8. Of this amount, 126,394 were paid in full and issued at Jan. 12.

ANNOUNCEMENT

**H. E. SEELY, P.Eng.**

The appointment of Mr. H. E. Seely as Manager of Contract Sales has been announced by D. A. Jones, General Sales Manager of Robertson-Irwin Limited, Hamilton. Mr. Seely will assume responsibility for sales across Canada of the well-known Robertson building products. A Civil Engineering graduate of the University of New Brunswick, Mr. Seely has gained wide experience with Robertson-Irwin Limited in Field Promotion, Sales Engineering and Sales Administration.

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# Grain Prices

## Chicago Futures

**Week to Feb. 14, 1955**

| Crop year from Aug. 1, 1954 High | Low | | High for week | Low for week | Close Feb. 14 |
|---|---|---|---|---|---|
| | | **Wheat—** | | | |
| 2.34¼ | 2.09¼ | Mar. | 2.26¼ | 2.21¼ | 2.22¼ |
| 2.30¼ | 2.07 | May | 2.25¼ | 2.20¼ | 2.21¼ |
| 2.18¼ | 1.97¼ | July | 2.12¼ | 2.10 | 2.11¼ |
| 2.20¼ | 2.09¼ | Sept. | 2.14¼ | 2.12¼ | 2.13¼ |
| 2.21¼ | 2.15¼ | Dec. | 2.17¼ | 2.15¼ | 2.16¼ |
| | | **Corn—** | | | |
| 1.63¼ | 1.50¼ | Mar. | 1.53¼ | 1.50¼ | 1.51 |
| 1.65¼ | 1.53 | May | 1.56¼ | 1.53 | 1.54 |
| 1.66¼ | 1.54¼ | July | 1.58¼ | 1.54¼ | 1.53¼ |
| 1.61 | 1.51¼ | Sept. | 1.54¼ | 1.51¼ | 1.52¼ |
| 1.49¼ | 1.43¼ | Dec. | 1.45¼ | 1.43¼ | 1.44¼ |
| | | **Oats—** | | | |
| .85¼ | .74¼ | Mar. | .77 | .75¼ | .76 |
| .85 | .72¼ | May | .75¼ | .74 | .74¼ |
| .77¼ | .63¼ | July | .71¼ | .70¼ | .70¼ |
| .72¼ | .70 | Sept. | .71¼ | .70¼ | .70¼ |
| | | **Rye—** | | | |
| 1.55¼ | 1.13¼ | Mar. | 1.23¼ | 1.14¼ | 1.15 |
| 1.55¼ | 1.16¾ | May | 1.26¼ | 1.18 | 1.18 |
| 1.46 | 1.18¼ | July | 1.27¼ | 1.19¼ | 1.20 |
| 1.30 | 1.20¼ | Sept. | 1.29 | 1.21 | 1.21 |
| | | **Soybeans—** | | | |
| Mar. | | | 2.83¼ | 2.74 | 2.76¼ |
| May | | | 2.80 | 2.70¾ | 2.72¼ |
| July | | | 2.76¾ | 2.67 | 2.63¼ |
| Sept. | | | 2.60¾ | 2.54¼ | 2.56¼ |
| Nov. | | | 2.54¼ | 2.47¾ | 2.49 |

## Chicago Cash

| | For Week High | Low | Prev. Week High | Low |
|---|---|---|---|---|
| **Corn—** | | | | |
| 2 Yell. (new) | 1.54 | 1.51¼ | 1.57¼ | 1.54 |
| **Oats—** | | | | |
| 1 H. Wh. | .83¼ | .83¼ | ... | ... |

## Winnipeg Futures

**Week to Feb. 14, 1955**

| Crop year from Aug. 1, 1954 High | Low | | High for week | Low for week | Close Feb. 14 |
|---|---|---|---|---|---|
| | | **Oats—** | | | |
| .86¼ | .69¾ | May | .84¾ | .83 | .83¼ |
| .83¼ | .77 | July | .80¾ | .79¼ | .79¾ |
| .79 | .74¼ | Oct. | .75¾ | .74¾ | .75¾ |
| | | **Barley—** | | | |
| 1.25¾ | .95¼ | May | 1.23¼ | 1.20¼ | 1.21 |
| 1.17¼ | 1.03¾ | July | 1.15¾ | 1.12¼ | 1.13¾ |
| 1.12¾ | 1.05 | Oct. | 1.10¼ | 1.07¼ | 1.07¾ |
|

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# Copper a 3rd Higher in U.K. Than Here But How to Cash In Proving a Problem

With virtually a peacetime copper "famine" existing in the world, it might be thought Canadian copper producers are in for an unparalleled period of prosperity.

But while business is expected to continue very good, producers here aren't counting on breath-taking prices for copper on the London market boosting their earnings to any great extent. In fact, H. L. Roscoe, vice-president of Noranda, believes that London prices are "quite temporary." He believes they are due to the strike in Rhodesia and possibly copper speculation.

Spot copper in London last week sold as high as 43.6c a lb., Canadian funds, which compares with a current price of 32.11c a lb. in Canada. The Canadian price moved up 3c a lb. recently when the U. S. price marked up its price to 33c a lb., U. S. funds. But it is still far below the U. K. level. The $64 question in the copper business now is a dual one: How long will the copper shortage persist? Will high prices in London force a second round increase in the U. S. and Canada?

With an output of 600 million lb. of copper, it might be thought that revenues of Canadian copper producers could be increased very materially by marketing their output in the United Kingdom. In practice, however, ability to take advantage of premium U. K. spot prices is quite limited.

**Must Satisfy Own Needs**

First of all, Canadian copper producers are obligated to take care of the Canadian domestic market. That requires over a third of Canada's copper output. Then some of Canada's copper production is turned out in the form of copper concentrates which are treated in the United States.

It is a practice to make advance sales in the copper business. These advance sales cut down copper which could be quickly shipped to the U. K. Copper producers in Canada have their own regular customers and it is not regarded as good business to inconvenience them for the sake of a short-term profit in the London market.

If United Kingdom high prices persist for some time, of course, it is almost certain there will be a very definite advantage to Canadian producers. Bulk of Canada's normal exports are usually divided fairly evenly between the United States and United Kingdom. If the price stays up in London, any exports to the U. K., after a time, would naturally come in for the higher prices.

For many months there have been predictions that the tight London copper situation would not last long and that lower copper prices were on the way. But things haven't worked out that way. And many plants in the U. S. have had to curtail their production due to a shortage of copper even though the U. S has made some of its copper stockpile purchases available for current consumption.

More Canadian production is on the way.

In about another two weeks now, it appears that Canada will have its big new copper operation, Gaspe Copper Mines, in operation with output assisting a copper-short world.

While Gaspe Copper doesn't expect to receive power over its submarine power line under the St. Lawrence until May or June, arrangements have been made for sufficient power to operate one of the two units of the 6,500-ton concentrator. The smelter is virtually completed and oil-firing of the smelter waste steam boiler will likely give about 4,000 kw of power in about two weeks through operation of a turbine-driven generator.

A second Diesel unit has been secured on rental and the company will probably have about 7,000 kw available to start production. This should be sufficient for operation of one unit.

At capacity, Gaspe Copper should provide an 8% increase in Canada's copper output. Some of anticipated output is committed for the last half of the year but there will be other metal available for sale in the best market which can be found.

Expansion of byproduct output of copper from expanding nickel-mining activities and bringing into production this year of the new 1,700-ton mill of Campbell Chibougamau in the Chibougamau camp of Quebec will also make for a larger Canadian copper output in 1955.

ANNOUNCEMENT

*Transport Appointment*

R. G. PERRY, whose appointment as vice-president in charge of sales of Murray Hill Limousine Service Ltd., Montreal, has been announced by Charles Hershorn, president of the company.

# Chib-Kayrand Drills Actively

A reorganization of Kayrand Mining Co. into Chib-Kayrand Mines on a 1-for-5 share exchange basis was approved by shareholders of Kayrand Mining Co. at a special meeting this week.

Chib-Kayrand now holds a total of 80 claims embracing approximately 3,200 acres in one block located immediately south of the Campbell Chibougamau property and along the McKenzie fault. The company's holdings of 80 claims comprise 21 original claims of Kayrand Mining, the balance being recently acquired from other interests.

The capital reorganization and the acquisition of properties has been accomplished by the issuance of a total of 1,464,252 shares of Chib-Kayrand out of a total authorized capital of four million shares.

The company has $200,000 immediately available from sale of 400,000 shares at 50c per share to a financing group comprising Broulan Reef Mines, Yellowknife Bear Mines, Quebec Smelting & Refining and Larama Midlothian Mines. Options have been granted on a further 1,600,000 shares which will provide an additional $1,380,000 if fully exercised.

Two crews are now engaged in an electro-magnetic survey with first work over the lake area. One diamond drill is drilling from the ice to explore the westerly extension of the Kayrand ore zone adjacent to its projected intersection with the main McKenzie narrows fault. A second drill is to test one of the large anomalies located on the former Royran claims on the west side of the fault. It is planned to add additional drills to explore anomalies outlined by the electromagnetic survey.

The exploration and development of the property will be directed by W. F. James and B. S. W. Buffam who have been appointed consultants.

Previous diamond drilling on the land on the Kayrand property tested a shear zone parallel to the Campbell ore zone and located a short distance south of the Campbell boundary. The results of this drilling indicated 200,000 tons to a depth of 250 ft. averaging about 2% copper.

# *Noranda to Split Two Shares For One—Lift Capital*

A split in shares on a two-for-one basis and an increase in authorized capital from the present 2,250,000 shares to six million shares was passed last week by the board of directors of Noranda Mines, according to an announcement of James Y. Murdoch, chairman of the board and president.

A general meeting of shareholders has been called for April 29, 1955, to confirm the resolution of directors, following which application will be made to the Lieutenant Governor of Ontario for Supplementary Letters Patent to make the change effective.

There are at present 2,239,772 shares outstanding. On completion of the split, the issued capital will be 4,479,544 shares.

It is stated that the company has no present plans to issue additional shares although the increase in capital to six million shares will obviously clear the way for this if the company should find such a move desirable at a later date.

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# Pac. Western Gets Another Airline

From Our Own Correspondent

VANCOUVER — Pacific Western Airlines has added Whitehorse Flying Services Ltd., Whitehorse, Y.T., to its ever-increasing network of schedules servicing British Columbia, the Yukon and 11 western American States.

The sale, for an undisclosed price, was announced by company Vice President Russ Baker. It gives PWA the northern company's planes, hangars, vehicles and equipment.

# Black Bay Ore Grades Close to $150 Over 3 ft. for 3 Rounds

According to advice received by Toronto head office from Leon La Prairie, consulting engineer, Black Bay Uranium has been in high grade uranium ore for three rounds following its original underground intersection as reported in The Post last week.

The sub-drift in which this ore is being opened has shown "considerable pitchblende and gummite in the last three rounds and would indicate a grade over a 3-ft. face of about $150 per ton," Mr. La Prairie advises.

This heading is now being continued in a southerly direction for 35 ft. to cut a drill intersection that produced high geiger readings that would indicate ore.

A second raise is in progress to develop "A" ore zone and other work is designed to result in the rapid opening up of the other zones which were extensively trenched at surface. It will be recalled that four main high grade showings were revealed in a 600-ft. length of contact trenched.

"With the criteria available, it stands that Black Bay Uranium Limited has an excellent possibility of uncovering other ore zones along the contact and becoming a major uranium producer," Mr. La Prairie concludes.

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# Zolota To Explore BeaverlodgeClaims

A spread of four groups of claims has been acquired by Zolota Yellowknife Mines in the Beaverlodge area with a development program to start shortly, President James McAvoy tells The Post.

The four groups totaling 25 claims are in four locations extending from Black Bay on the west to the Oldman River area on the east and comprise the Fox, Elsie, Dot and Scin claims.

The Fox group of four claims are located in Black Bay four miles southwest of Bushell, cover three islands and straddle the Black Bay fault which lies just off shore.

The Elsie group of three claims is on the east side of Lodge Bay, adjoins the Box mine on the west and extends north for two claims lengths.

The Dot group of three claims at Nicholson Bay adjoins the Nicholson Mines property on the west and south. Three radioactive areas are known to be present on the group.

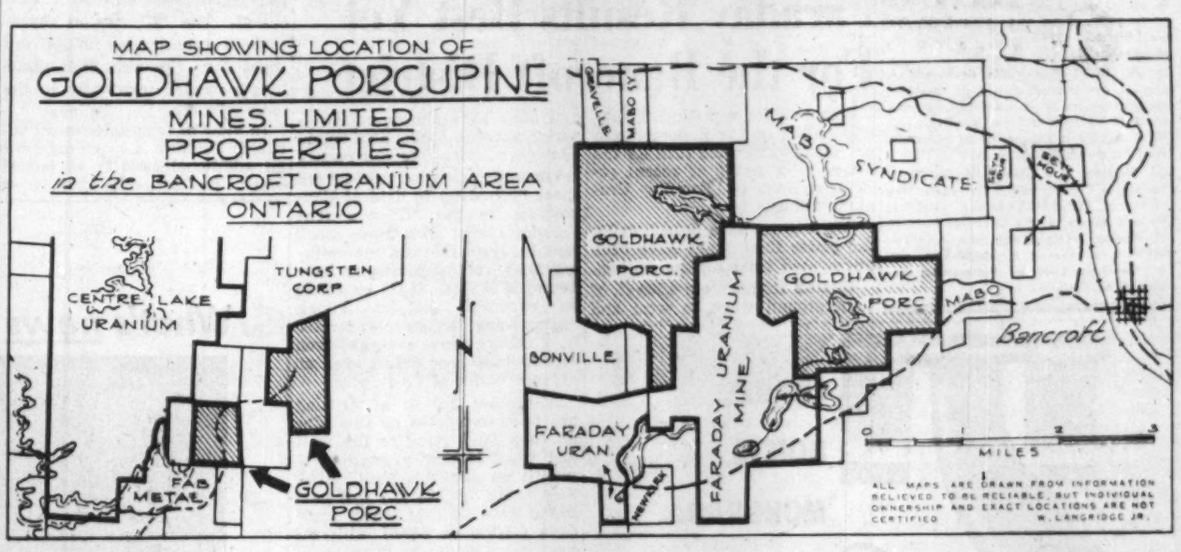
The Scin group of 15 claims is located on the north-south trending fault paralleling the Oldman River. The group was staked to cover a radioactive anomaly located by an airborne Scintillometer survey.

Initial development of the four groups will probably commence on the Dot group adjoining the Nicholson mine.

**DOMINION OF CANADA GENERAL INSURANCE CO.** new business in 1954 was $9,308,365, bringing total business in force at year-end to $69,995,536. Total income was $7,675,341, an increase of $423,959 over 1953. Included was income of $5,660,857 from general insurance. Income of the associated company, Casualty Co. of Canada, was $1,400,211. Its assets at the end of 1954 were $2,208,042.

*For the information of shareholders*

## GOLDHAWK PORCUPINE MINES LIMITED




**3 diamond drills are presently working on the property. The above groups of claims and mining leases contain approximately 3,500 acres. Geological and scintillator surveys have just been completed.**

Results of the Year 1954
26th ANNUAL REPORT
Highlights

| | |
|---|---|
| ASSETS — 1954 | $ 7,015,425.42 |
| — 1953 | 5,254,811.55 |
| Investments on Mortgages | $ 4,130,973.04 |
| Government and Industrial Bonds | 2,007,305.78 |
| Paid to Certificate Holders : | |
| In 1954 | 527,887.59 |
| Since 1928 | 2,205,913.08 |
| SAVINGS CERTIFICATES SOLD IN 1954 | $22,387,000.00 |

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55TH ANNUAL REPORT

OUR progress in 1954 established new records in the history of our Company. Assets under Administration increased by $123,000,000, to reach the impressive figure shown below.

This wide expansion of our business reflects, we believe, the realization by more and more people that such complex personal problems as executorships, trusteeships, succession duties, taxation and investments require the service of specialists with wide knowledge and extensive experience. How a trust company functions to relieve those harried and beset by these and similar problems is undoubtedly becoming more widely known and appreciated.

| | |
|---|---|
| EARNINGS | $6,287,000 |
| EXPENSES | 4,829,000 |
| PROFIT | 1,458,000 |
| TAXES | 632,000 |
| NET PROFIT | 826,000 |
| DIVIDENDS | 475,000 |

CAPITAL, RESERVE AND SURPLUS
$9,029,000

ASSETS UNDER ADMINISTRATION
$1,315,000,000

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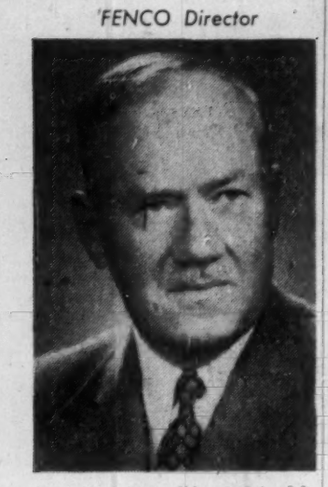
ANNOUNCEMENT

## FENCO Director



Lloyd Montgomery Pidgeon, B.A., B.Sc. M.Sc., Ph.D., M.B.E., has been appointed to the Board of Directors of Foundation of Canada Engineering Corporation Limited, of Toronto and Montreal.

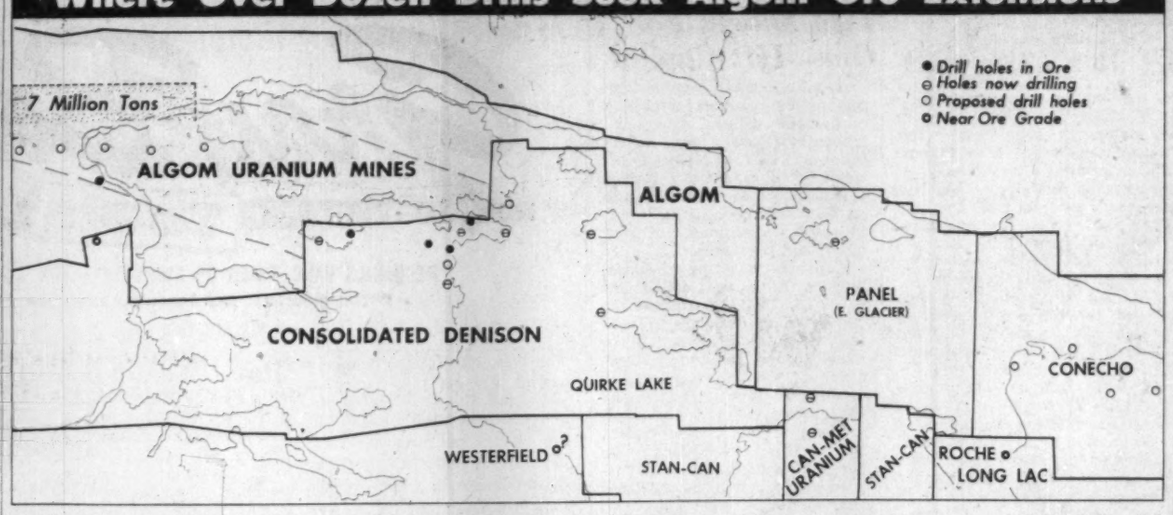
Dr. Pidgeon is Head of the Department of Metallurgical Engineering of the University of Toronto, which position he has held since 1943 and is a consultant in the field of chemistry and metallurgy.

He was Assistant Research Chemist with the National Research Council, Ottawa, in 1932, and Associate Research Chemist in 1938. From 1941-43 Dr. Pidgeon was Director of Research for Dominion Magnesium Ltd.

It was Dr. Pidgeon who developed a process for the production of Metallic Magnesium which is employed by one plant in Canada and five plants in the U. S. A. He is the author of numerous scientific publications.

Dr. Pidgeon is a Fellow of the Royal Society of Canada and a Member of the Order of the British Empire (M.B.E.). He is a member of the Canadian Institute of Mining & Metallurgy, the American Institute of Mining & Metallurgy, and of the Association of Professional Engineers of Ontario.

## Where Over Dozen Drills Seek Algom Ore Extensions




*RECORD-BREAKING diamond drill exploration is in progress in the Algoma uranium camp; some 60 drills are working. Here at Quirke Lake is the most intensively drilled area of all. Location of two Stan-Can and several other drills was not available at press time.*

# Faraday Results Best Yet For the Bancroft District

Prospects for a producing uranium mine in the Bancroft area have taken a decided turn for the better as a result of recent results secured by Faraday Uranium Mines.

Ore sections have been proving far better than might have been anticipated from surface drilling.

Overall results from 4,000 ft. of underground work in west and east adits have shown a far superior average grade than found elsewhere in the Bancroft region.

What appears to be the best ore shoot opened up to date at Bancroft is in the "E" ore zone Faraday's west adit. Here muck samples from 755 cars representing 205 ft. of drift advance have averaged 0.454% $U_3O_8$ or $65.83 on chemical analysis. Panels representing face samples for 190 ft. of advance have averaged even higher 0.632% or $91.64 over an average width of 7.8 ft. plus.

Altogether 230 ft. of drifting has been completed on this zone up to a fault lying to the west and work is now proceeding to pick it up past this fault. After the length of 205 ft., the next round gave 20 cars which averaged 0.275% or $39.87 with the next round returning 15 cars running 0.263% or $38.13. Slashing to north and south at this point showed a width of 17 ft. averaging 0.217% or $31.46. One batch of 20 cars gave mucks of 0.285% or $41.32 while a second batch of 20 cars of muck from the slash gave a chemical of 0.361% or $52.34 at on.

Drifting ahead after the slashing gave a 3-ft. panel width averaging 0.296% or $42.92 a ton with the last face for which a chemical is available running 0.239% or $34.65. The next three rounds appear to average about 0.23% over an average width of about 5 ft.

Some 50 ft. beyond the fault to the west is a surface drill intersection of 0.3% over about 4 ft. which lies somewhat above the west adit horizon.

About 400 ft. to the west of this hole is old No. 58 surface hole which gave 0.193% over 9 ft. Information is sketchy in this direction but from the anomaly pattern a further 1,500 to 2,000 ft. looks interesting.

To the south of "E" ore zone, three 750-ft. drills are to be completed to intersect the ore zone at about the 500-ft. horizon. These holes will also test important anomaly areas lying to the south of "E" zone. These holes will be at 200-ft. intervals and from Bancroft experience, Allan Jeckyll, consulting engineer, feels confident they will pick up the "E" zone with satisfactory results. Most of Faraday surface drill holes cut the ore zones below the adit horizon.

At a location 1,000 ft. northwest of "A" zone, Faraday believes it has the extension of the "A" zone opened by the east adit. This is about 2,200 ft. east of the Faraday east adit. Interesting anomalies showed in this area and No. 97 drill hole gave 0.162% $U_3O_8$ over 3.5 ft. and 10 ft. of structure of which 2 ft. ran 0.514%. At the bottom of the hole there was 4½ ft. of which 3 ft. gave 0.084% with balance of the core lost.

In the east adit area. Faraday has had favorable results, although values have not been of the rather spectacular type secured in the west adit. In the "A" east drift there is about 120 ft. which will average better than 0.1% over drift width while in the "A" west drift there is reported a length of 160 ft. which would average just under 0.1% over widths of 11 to 12 ft.

In the "A" 4 west area, there is a further good ore length.

Values in the "E" area particularly have been extremely consistent. The "E" section represents a considerably better ore shoot than the rich high grade length opened previously in the west adit, The Post believes.

In view of favorable results secured, Faraday has arranged for an additional 3,500 ft. of lateral work. So far some 4,000 ft. of drifting and crosscutting has been completed.

Four raises are to be put up to surface on the four ore shoots already opened. Development has been carried out from two adits 1,200 ft. apart and for over a length of a half mile. The favorable structure on the Faraday property is believed to be about a mile long.

## Anabar on No. 3 Plan "Basin" Test

Two holes have been completed by Anabar Uranium on its 30-claim property in Twp. 161, Algoma uranium area and a third is now being drilled.

The first hole was drilled 200 ft. to the south of where a 0.1% $U_3O_8$ assay was secured in surface work and 1,500 ft. east of the west boundary. This hole, which encountered "basement" at 367 ft., had a 32-ft. core starting at 280 ft. with bands of radioactive mineralized conglomerate

No. 2 hole, 400 ft. west of No. 1, cut basement rocks at 320 ft. and has an 8-ft. weakly radioactive section at 230 ft.

After No. 3 hole is completed, it is planned to drill No. 4 and 5 holes close to the centre in the property to test an inferred "basin" structure.

## Multi-Minerals Head Up Research

President John C. Rogers of Multi-Minerals has announced the appointment of B. Douglas Weaver of Galveston, Texas, to the head office staff of the company.

Mr. Weaver will supervise and co-ordinate all research for Multi-Minerals, as well as handle development of several projects which are being given careful study by the management.

A graduate of the University of Toronto with 20 years' practical experience in geology and metallurgy, Mr. Weaver for the past 2½ years was superintendent of research and development at Tin Processing Corp., Texas City, and prior to this was chief chemist and process metallurgist at Algoma Steel Corp., Sault Ste. Marie, Ontario.

**NEW N.S. SALT SITE!**

Reserves of at least 200,000 of high grade white rock salt will be tapped this year by Malagash Salt Co. Ltd., at Pugwash, Nova Scotia. Cost of first development estimated about $500,000. Write Dept. of Mines, Halifax, N.S.

ANNOUNCEMENT

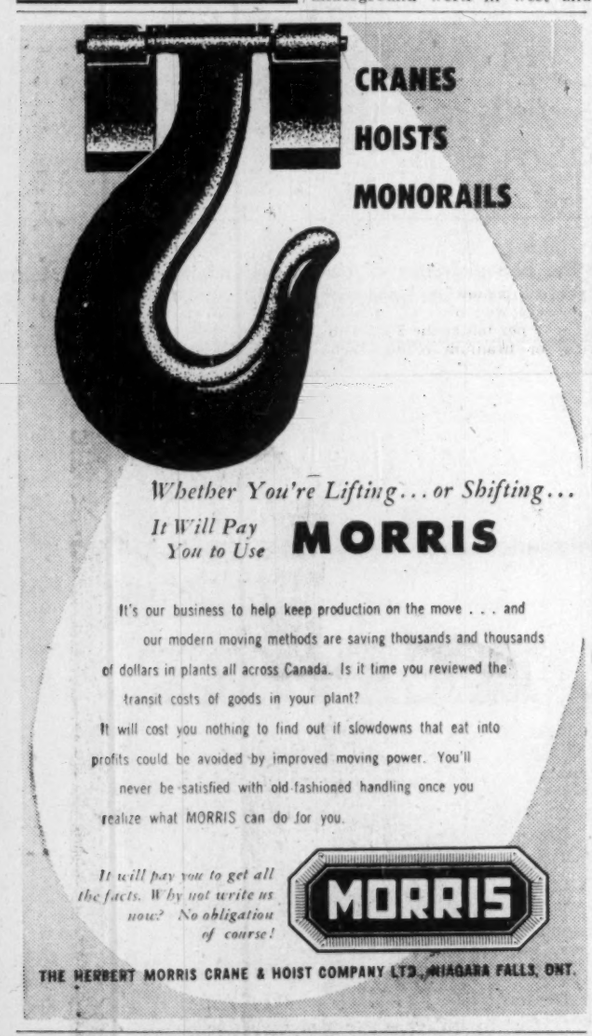
## JOHN LABATT LIMITED APPOINTMENTS

JOHN P. LABATT
Assistant to the President

D. G. McGILL
Director of Purchases

R. H. LAFONTAINE
London Purchasing Agent

As announced by President Hugh F. Labatt at the Company's recent annual meeting, continued growth of John Labatt Limited has resulted in several administrative changes and appointments. Formerly Acting Director of Purchases, John P. Labatt in addition to his new position as Assistant to the President will have sales duties in Ontario and elsewhere. It is interesting to note that he is the fourth John Labatt in the 127-year-old Company. D. G. McGill, formerly London Bottling Superintendent, as Director of Purchases will supervise buying at the Company's various plants and subsidiaries. R. H. LaFontaine, London Purchasing Agent, will be in charge of buying at the firm's largest brewery.

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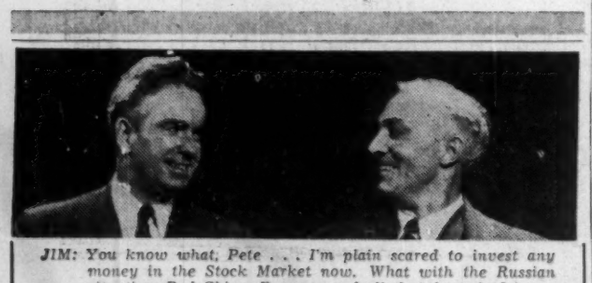

*JIM: You know what, Pete . . . I'm plain scared to invest any money in the Stock Market now. What with the Russian situation, Red China, Formosa and all that, how do I know I won't lose all I put in?*

PETE: If you don't know what these things mean at long range, Jim, you're very wise to stay out of the market. Sure, a man should stick by the business he *knows*.

*JIM: But hold on, there! You're in the Stock Market — you've often told me so. And making money, too!*

PETE: I stick by CO-ORDINATOR'S advice, because that's the business *they* know. I'm no expert on foreign affairs or finance, so I pay CO-ORDINATOR'S reasonable fee to appraise the effect of war scares on the Stock Market, and advise me how to make money.

*JIM: And they really do tell you what to buy, and when; and when to sell, too?*

PETE: They advised me to buy PRESTON EAST DOME at $3.40 and again at $4.05. Its high since has been $7.25. Last year they advised GUNNAR as a buy at $8.60 — its high since then has been $16.00. They told me about CHEMICAL RESEARCH at $1.74 — it went to $4.00. Just a year ago they advised INTERNATIONAL NICKEL at $36.00. Its high since then was $60.00. And remember, Jim, we had all the same war scares during the whole of '54. To make money, do as I do — become a CO-ORDINATOR client and follow their advice. Use, the Coupon below.

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*What's news at Inco?*

**THE BEAM OF A POLICE OFFICER'S FLASHLIGHT** picks out a burglar who has been caught by sound waves he couldn't hear. These sound waves are sent out by the Alertronic Alarm —a new device in which *small rods of nickel* play a vital part.

# INCO NICKEL RODS SET OFF ALARM BUT BURGLARS CANNOT HEAR IT

IN THE DEAD OF THE NIGHT a burglar is stuffing silver into a bag. Suddenly he is pinned in the glare of a flashlight. The police have him . . . trapped by a sound he couldn't hear. The Alertronic Alarm has done its job.

**The heart of this device is two slender rods of pure nickel that change their length when magnetized, causing a diaphragm to vibrate and send out sound waves so high-pitched they cannot be heard by human ears. But the slightest movement by an intruder disturbs the sound waves and sets off the alarm.**

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**Nickel helps report fires**

Even the heat of a wad of paper smoldering in an ashtray will disturb the sound waves and set off the Alertronic Alarm.

**It also drives mice crazy**

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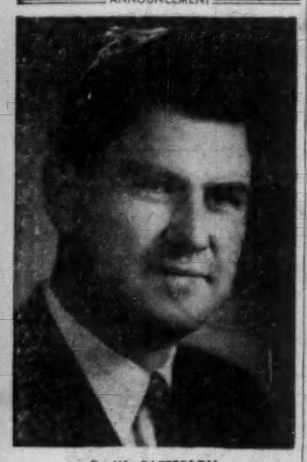

G. W. PATTERSON

Announcement is made by Mr. Ewart Greig, President, Union Carbide Canada Limited, of the appointment of Mr. Gordon W. Patterson as Manager of Public Relations.

Union Carbide Canada Limited and its Divisions — Bakelite Company, Carbide Chemicals Company, Dominion Oxygen Company, Electro Metallurgical Company and National Carbon Company — manufacture a host of diversified products in five major fields — plastics, chemicals, gases, alloys and carbon.

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## MINING INVESTMENTS

# Prospectors Meet To Give Many Answers On Minerals

This year's annual convention of the Prospectors & Developers Association (Royal York Hotel, March 6-9) is likely to be the biggest of its kind, President Viola MacMillan tells The Post.

It's a program expected to be of great appeal to prospectors, investors and mine developers. A largely increased attendance from the U. S. is indicated.

Uranium, columbium, lithium — "glamour metals" of 1955 mining will be discussed by authorities. The meetings may represent the largest single gathering this year in Canada of top authorities on mine exploration, minerals and markets.

Highlight of the convention is expected to be a Tuesday afternoon panel discussion. Engineers and geologists acquainted with Canada's three new uranium fields — Beaverlodge, Algoma (Blind River) and Bancroft—will answer questions. Information will also be provided on other uranium areas such as North Bay and Oka.

Among those on the panel will be Dr. A. H. Lang, Franc Joubin, A. W. Jolliffe and G. M. Jarvis.

A top man from the U. S. Atomic Energy Commission is expected to be a guest speaker.

A. H. A. Ross of the metallurgical division of Gunnar Mines will deliver a paper on the Uranium Industry of South Africa following his recent trip to that country.

Eugene B. Hotchkiss, vice-president of Vitro Corp. of America — identified with construction of larger uranium plants in the U. S. — will speak on Some Aspects of the Business of Milling Uranium Ores at the Tuesday luncheon.

Among Wednesday events will be a discussion of Pine Point lead-zinc deposits by the staff of Consolidated Smelters, luncheon address by Hon. George Prudham, Minister of Mines & Technical Surveys, Ottawa, a paper on Changes in the Mineral Outlook of the Artic by R. G. Blackadar, a geologist of the Geological Survey, and an address by R. S. Palmer, vice-president and managing director of the Colorado Mining Association at the annual mining day banquet.

With a record-breaking attendance anticipated, two orchestras have been engaged for the annual dance concluding the event Wednesday.

* * *

### *New Lithium Mill*

This week Quebec Beryllium holds the opening of a new 100-ton mill at its property nine miles south of Amos, Northwestern Quebec.

The mill previously had been undergoing test runs of spodumene (lithium) ore from the company's Lacorne twp. property in this section where there is wide lithium exploration activity.

Where cleared of snow and overburden, the pegmatite dyke exposure is stated to be 18 ft. wide and has been traced for several hundred feet in length. The dyke was followed down a steep slope to a depth of 100 ft. below the original showing and was stated to show a constant width of 18 ft. All mining has been of the open pit variety.

Test milling is also planned of beryl and columbium ores which are reported to occur on the company's main property of 1,400 acres.

* * *

### *Blind River Mosaic*

Uranium companies, mining engineers and developers with interests at Blind River will likely be beating a path to the door of W. N. ("Norm") Millar who has compiled a most interesting aerial mosaic of this active uranium section from RCAF photographs.

Mr. Millar, who has done a great deal of aerial reconnaissance in the search for uranium and other metals — and with some success — has come up with an exceedingly legible topographic picture of the big "S" of the Blind River area which is providing such a large uranium tonnage.

Superimposed on the topography of the area are outlines of contact zones and faults. Geological ages of the rocks are identified and the map promises to be a great help to those trying to unravel the riddles of the rocks.

### *Buckles Ore Runs Well*

A very good grade of uranium ore is reported being secured by Buckles Algoma Uranium working in the upward extension of the Nordic Lake ore body of Algom Uranium Mines.

A total of 450 tons of ore has now been hoisted from the 77-ft. 2-compartment shaft which was put down primarily to secure ore for testing purposes. The ore grade of this material is expected to average well over 0.15% $U_3O_8$ or $21.75 per ton at the $7.25 a lb. price for uranium oxide, Technical Mine Consultants reports.

Diamond drilling at Buckles Algoma in the 1954 summer-fall season indicated the presence of an ore zone containing 486,500 tons. Based on published reports suggesting that negotiated prices per lb. of $U_3O_8$ in the Algoma area would not be less than $10 a lb., this ore would have a value in excess of $12 millions, it is thought. Approximately 306,000 tons of this total occur in the eastern ore section, average grade of which runs 0.14% $U_3O_8$ or $21.60 at the $7.25 uranium price.

### *Bouscadillac Cuts Columbium Values In Oka Drill Hole*

A first drill hole put down by Bouscadillac Gold Mines on its property north of Molybdenum Corp. in the Oka area has given interesting columbium values on basis of x-ray fluorescence testing.

Although the core did not appear radioactive, a 3.5-ft. section of core from 441 ft. was sent in for checking and turned out to give 0.47% columbium pentoxide. Chemical analysis might return about 30% higher.

Only incomplete testing of other core from 415 to 461 ft. is reported. A section of 5 ft. between 415 and 420 ft. gave 0.60% $Cb_2O_5$ while 3 ft. starting at 458 ft. ran 0.39%. From 436 to 441.4 ft., the core ran only 0.02% but from 420 to 426 ft., 6 ft. ran 0.23%. A 2-ft. section from 426 ft. ran 0.05%. Much further testing and assaying of core from this hole is planned.

The hole is still drilling in what the management believes is favorable formation.

Next hole will go down to the east and its location is thought to be quite favorable in relation to developments on the Molybdenum Corp. property.

### *Farcroft Gets Uranium In New Bancroft Area*

A first definite uranium grade ore intersection has been secured in Anstruther twp., southwest of the main Bancroft area, as a result of big airborne survey carried out by Newkirk Mining Corp. over a year ago.

After expenditure of several hundreds of thousands of dollars by Newkirk-sponsored companies in the immediate area, and completion of three separate surveys, diamond drilling has come up with a good uranium intersection on the property of Farcroft Mines.

No. 2 drill hole, in a cross-section, returned 0.186% $U_3O_8$ or $28.07 over 6 ft. or alternatively 0.112% or $16.24 over 12 ft. from 10 to 22 ft. in the hole. There was an additional 6 ft. starting at 52 ft. which gave 0.068% or $9.86 a ton.

No. 3 hole, drilled below, missed the structure on dip but No. 4 hole 50 ft. to the east of No. 2 is stated to have given two good intersections with assays awaited. These intersections were 11 ft. starting at 45 ft. and 8 ft. starting at 95 ft.

No. 5 hole is now to be drilled 50 ft. west of No. 2.

The structure at Farcroft is believed to be related to the same granite-sedimentary contact as uranium operations at Bancroft many miles to the northeast.

# Company Reports

**To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.**

## Mining

**LAKE SHORE MINES** realized a net profit of only $216,406 or 11 cents a share in 1954 as compared with $279,797 or 14 cents a share a year earlier.

Average ore grade milled dropped 0.0429 oz. per ton in 1954 due to the requirements of sequence mining but a small improvement in grade is anticipated this year.

Results of work on the two deep levels at 7,950 and 8,075 ft. together with results of diamond drilling below the 8,075 level do not justify further development below this horizon under existing economic conditions. Further drilling is in progress.

Average price received for gold was $34.11 an ounce in 1954 as against $34.45 in 1953 and $36.85 in 1951.

Applying the new formula for cost-aid to 1954 results, a reduction of about $2,000 in revenues would result.

At the end of the year, there were 13,166 ft. of ore on which no stoping had been done with an average grade of 0.514 oz. over a drift width of 57.2 in. before slashing. This was a drop of 902 ft. with a slight decline in average grade. There were 798 ft. of new ore opened in 1954 averaging 0.389 oz. over 62.7 ft. with ore opened in other sections.

Oilwell Operators in which Alminex has a 0.5% interest and Lake Shore a 1% interest, has drilled 12 producing wells to date, six at Erskine and six in the Pembina area. Other wells are now drilling.

Lake Shore has a 20% interest in Alminex. Of 34 wells drilled, 11 have been in the Buffalo-Blindloss area with nine good gassers.

| INCOME ACCOUNT | | |
|---|---|---|
| Years Ended Dec. 31: | 1954 | 1953 |
| Bullion prod. | $2,921,383 | $3,099,422 |
| Add: Cost-Aid assist. | 611,000 | 384,000 |
| Less: Oper. expn. | 2,916,406 | 3,092,810 |
| Oper. earnings | 616,178 | 390,612 |
| Add: Other inc. | 75,547 | 36,121 |
| Net earnings | 281,725 | 426,733 |
| Less: Tax prov. | ..... | 4,000 |
| Outside explor. | 11,959 | 73,473 |
| Depreciation | 54,361 | 69,463 |
| Net profit | 216,406 | 279,797 |
| Less: Dividends | 200,005 | 200,000 |
| Surplus | 16,406 | 79,797 |
| •Loss or deficit. | | |
| Earnings per Share | $0.11 | $0.14 |
| Paid | 0.10 | 0.10 |

| CONDENSED BALANCE SHEET | | |
|---|---|---|
| As at Dec. 31: | 1954 | 1953 |
| Cash & bullion | $2,063,867 | $1,962,556 |
| Govt. bds.† | 1,537,856 | 1,330,800 |
| Other mkt. secs. | 100,000 | ..... |
| Cost-Aid assist. | 247,935 | 379,999 |
| Inc. tax recov. | ..... | 176,123 |
| Accts. rec. | 86,036 | 84,368 |
| Mat.-supplies | 514,019 | 590,496 |
| Total curr. assets | 4,371,713 | 4,524,347 |
| Prep. & def. chgs.▲ | 9,201 | 28,390 |
| Mining & oil inv. | 396,002 | 375,939 |
| Props. & devel. | 1 | 1 |
| Plant & equip.* | 121,911 | 147,446 |
| Total assets | 5,098,828 | 5,076,123 |
| Accts. & chgs. pay. | 269,376 | 245,033 |
| Prov. for taxes | ..... | 4,000 |
| Total curr. liab. | 269,376 | 249,033 |
| Ins. reserve, etc. | 315,000 | 331,541 |
| Capital stock | 2,000,000 | 2,000,000 |
| Surplus | 2,514,452 | 2,495,549 |
| †Market value | 1,552,743 | 1,233,825 |
| *After depr. of | 7,909,840 | 7,880,684 |
| ▲Included in current assets in co's report. | | |
| Working capital | 4,302,337 | 4,275,314 |

| OPERATING STATISTICS | | |
|---|---|---|
| | 1954 | 1953 |
| Tons milled | 252,455 | 236,669 |
| Aver. recov. | $11.61 | $13.10 |

**GIANT MASCOT MINES** realized a net profit of $358,015 or 12 cents a share in the year ended Sept. 30, 1954, an increase of about $7,000 over the previous year.

In each year the price of lead averaged 13.6 cents a lb. as against a current price of 15 cents, it is pointed out.

As the B. C. Government has now exempted mines for the first three years from payment of income tax no tax was payable during the last fiscal year, President R. B. Buckerfield reports.

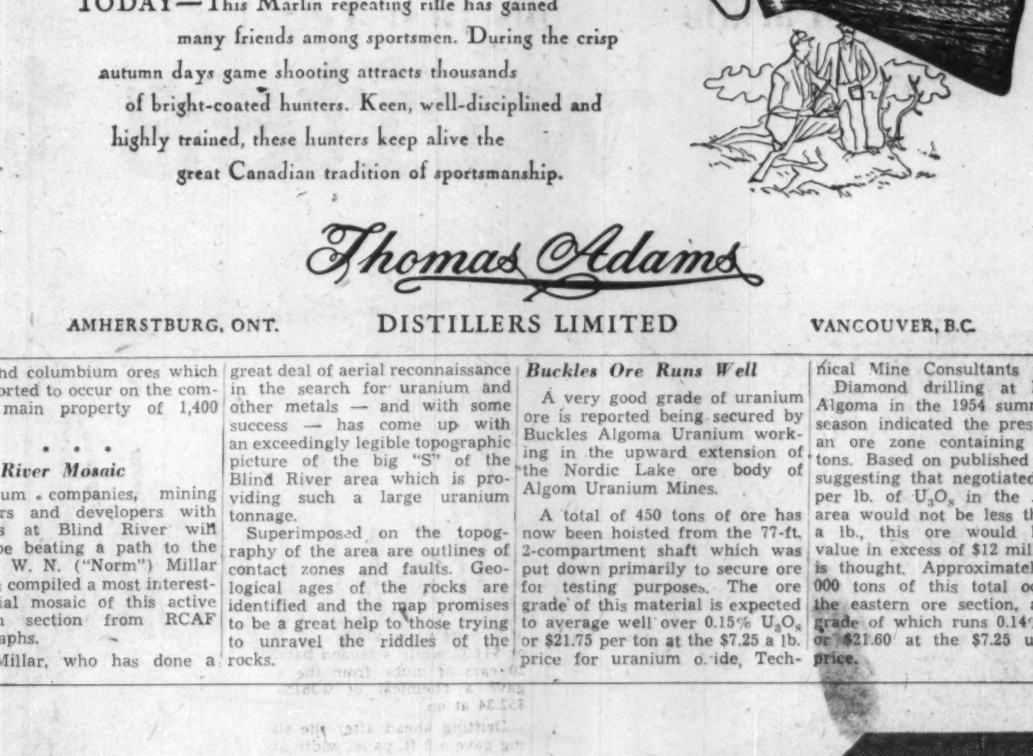
Ore reserves increased slightly in tonnage but average grade was somewhat lower after treatment of 185,000 tons of ore. Reserves of 408,000 tons at Sept. 30, 1954, averaged 0.7 oz. silver, 4.19% lead, and 0.89% zinc sufficient for somewhat over two years' milling operations.

The lead content per vertical foot of height on the 800-ft. level footwall ore zone is reported at 97,490 lbs. as compared with an average of 90,812 lbs. for the levels above. A further 40 claims were staked on the northerly extension of the property; surface testing of anomalies is being undertaken, and a crosscut is also being driven on a lead prospect five miles from the Giant Mascot mill.

| INCOME ACCOUNT | | |
|---|---|---|
| Years Ended Sept. 30: | 1954 | 1953 |
| Production | $1,489,092 | $1,454,960 |
| Less: Oper. exps. | 1,073,211 | 1,073,643 |
| Oper. profit | 415,881 | 381,317 |
| Add: Other income | 3,834 | 4,165 |
| Net earnings | 419,715 | 385,482 |
| Less: Interest | 12,470 | 14,320 |
| Mining tax | ..... | 14,579 |
| Preprod. exps. w/o | 45,230 | ..... |
| Other exps. | 4,000 | 4,744 |
| Loss on secs. sold | ..... | 555 |
| Net profit & surplus | 358,015 | 351,284 |
| Earnings per Share | $0.12 | $0.12 |
| None paid. | | |

| CONDENSED BALANCE SHEET | | |
|---|---|---|
| As at Sept. 30: | 1954 | 1953 |
| Cash | $ 144 | $ 316 |
| Concentrates | 99,221 | 79,739 |
| Giant Mascot bonds | ..... | 65,000 |
| Accounts rec. | 3,706 | 24,446 |
| Stores & supplies | 103,112 | 133,973 |
| Total curr. assets | 216,183 | 303,376 |
| Prepaid exps.▲ | 19,664 | 24,008 |
| Deferred chges. | 203,985 | 267,118 |
| Amount rec. re court action | 9,022 | ..... |
| Invest. & adv. subsid. co. | 1,130,406 | 181,650 |
| Invests. in other min. cos.‡ | 2 | 2 |
| Mineral cls., options, etc. | 1,306,125 | 2,249,781 |
| Land, bldgs., equip., etc.† | 1,351,756 | 1,112,858 |
| Total assets | 4,281,143 | 4,138,994 |
| Bank loan (sec.) | 11,000 | 60,000 |
| Bank overdraft | 23,183 | 17,399 |
| Accts., wages, etc., pay. | 144,416 | 103,698 |
| Mining tax pay. | ..... | 14,135 |
| Total curr. liabs. | 178,599 | 200,230 |
| Installment liabs. | 95,800 | 80,000 |
| 1st mtge. s.f. bds. | ..... | 200,000 |
| Capital stock | 2,965,972 | 2,965,972 |
| Surplus | 971,072 | 672,792 |
| †After deprec. of | 228,132 | 203,132 |
| ‡At nominal value. | | |
| ▲Includes $12,936 in 1954, $5,323 in 1953 included in current assets in company's report. | | |
| Working capital | 31,584 | 103,146 |

| OPERATING STATISTICS | | |
|---|---|---|
| | 1954 | 1953 |
| Tons milled | 183,621 | 170,176 |
| Aver. recovery | $8.02 | $8.53 |
| Ore reserves, tons | 408,000 | 404,000 |
| Grade: Lead % | 4.19 | 5.6 |
| Zinc % | 0.89 | 1.2 |
| Silver, oz. | 0.7 | 1.0 |

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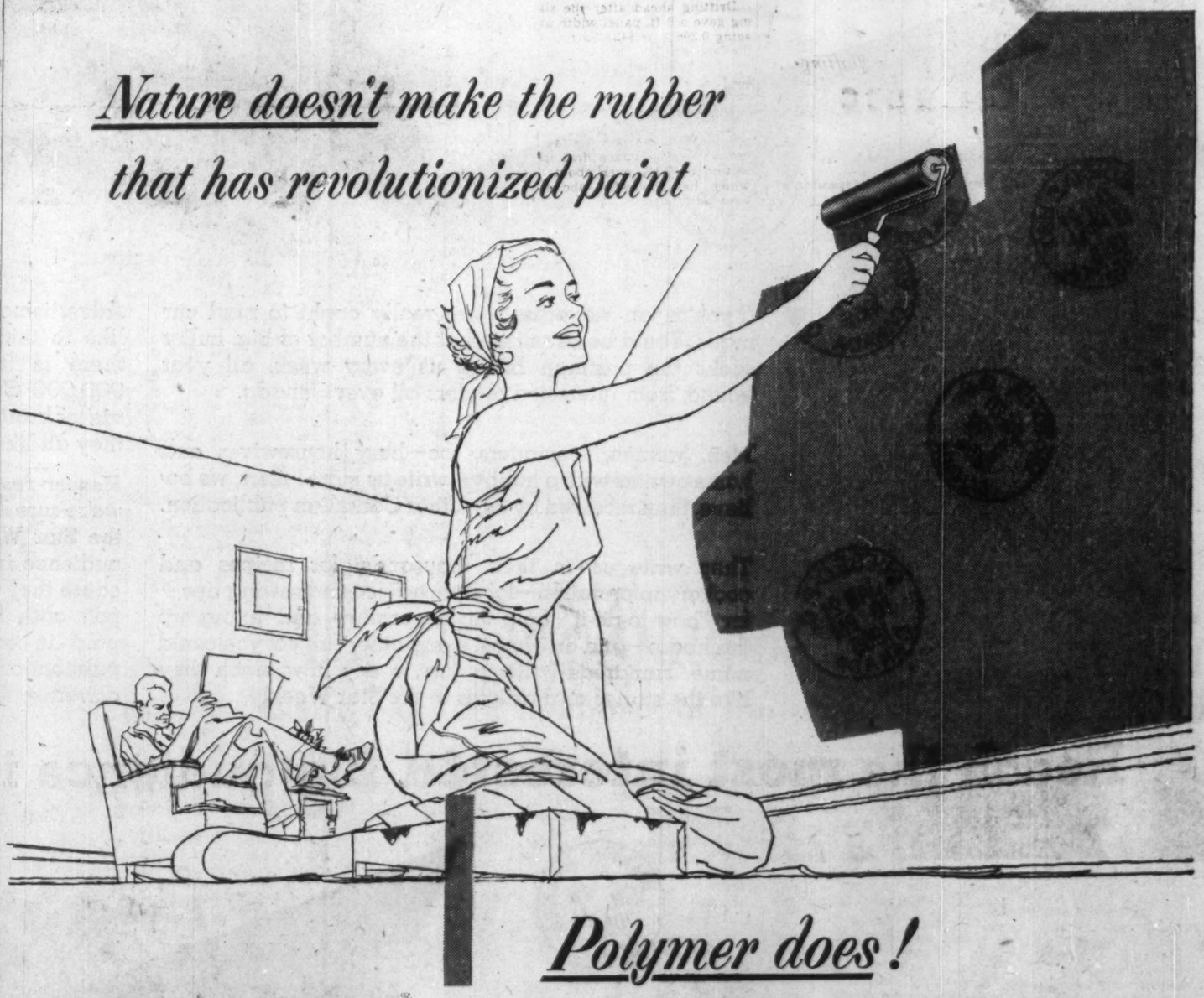

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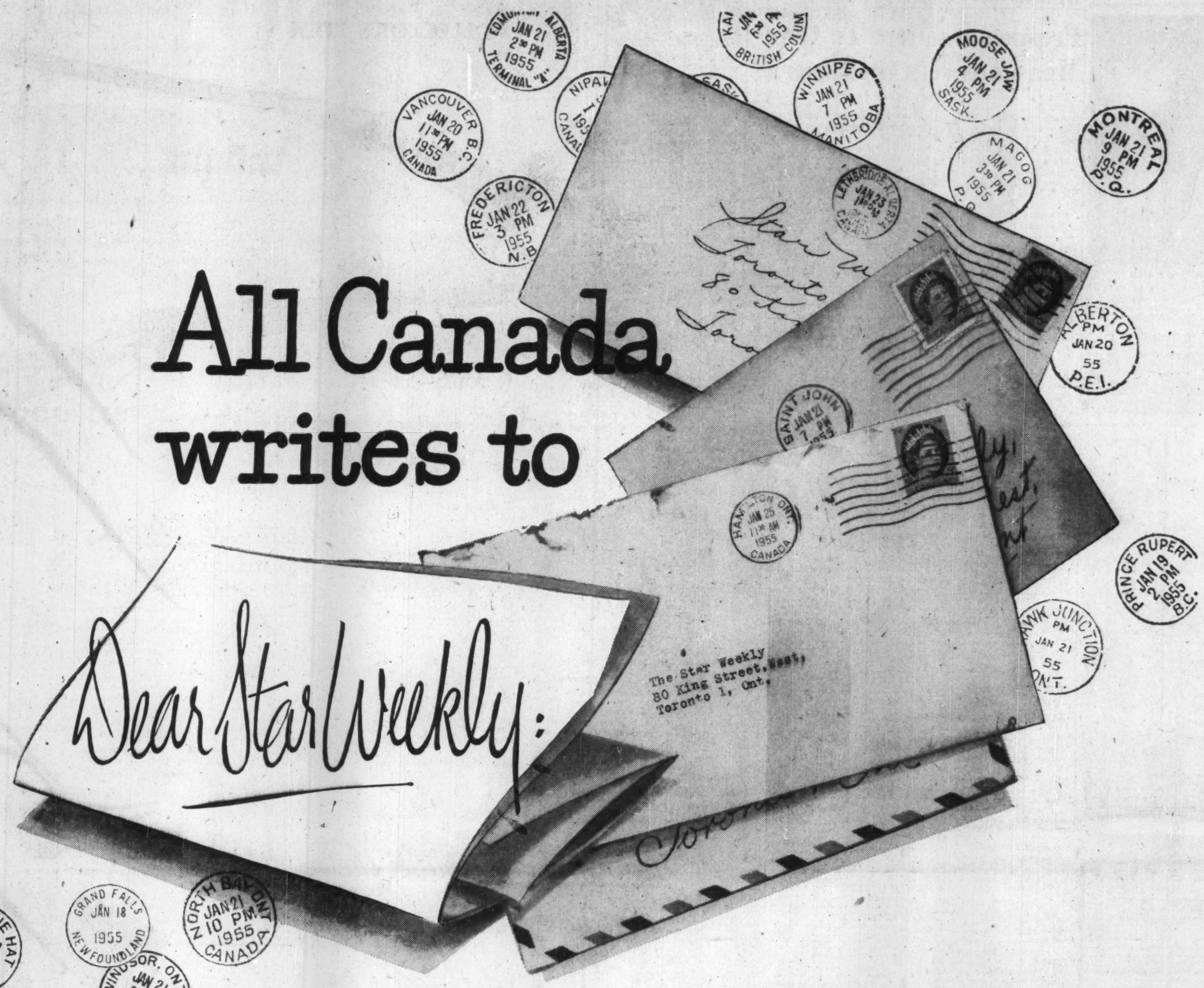


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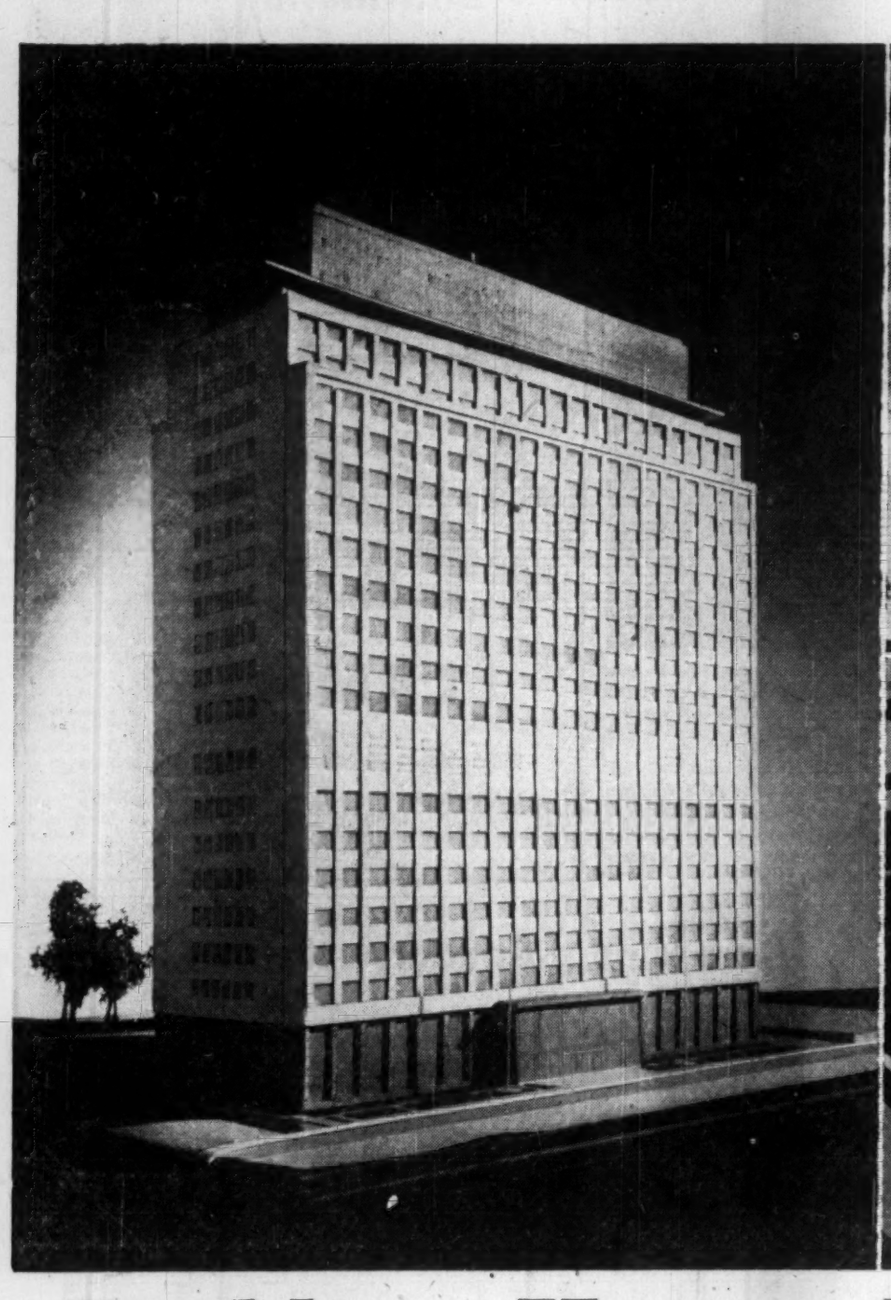
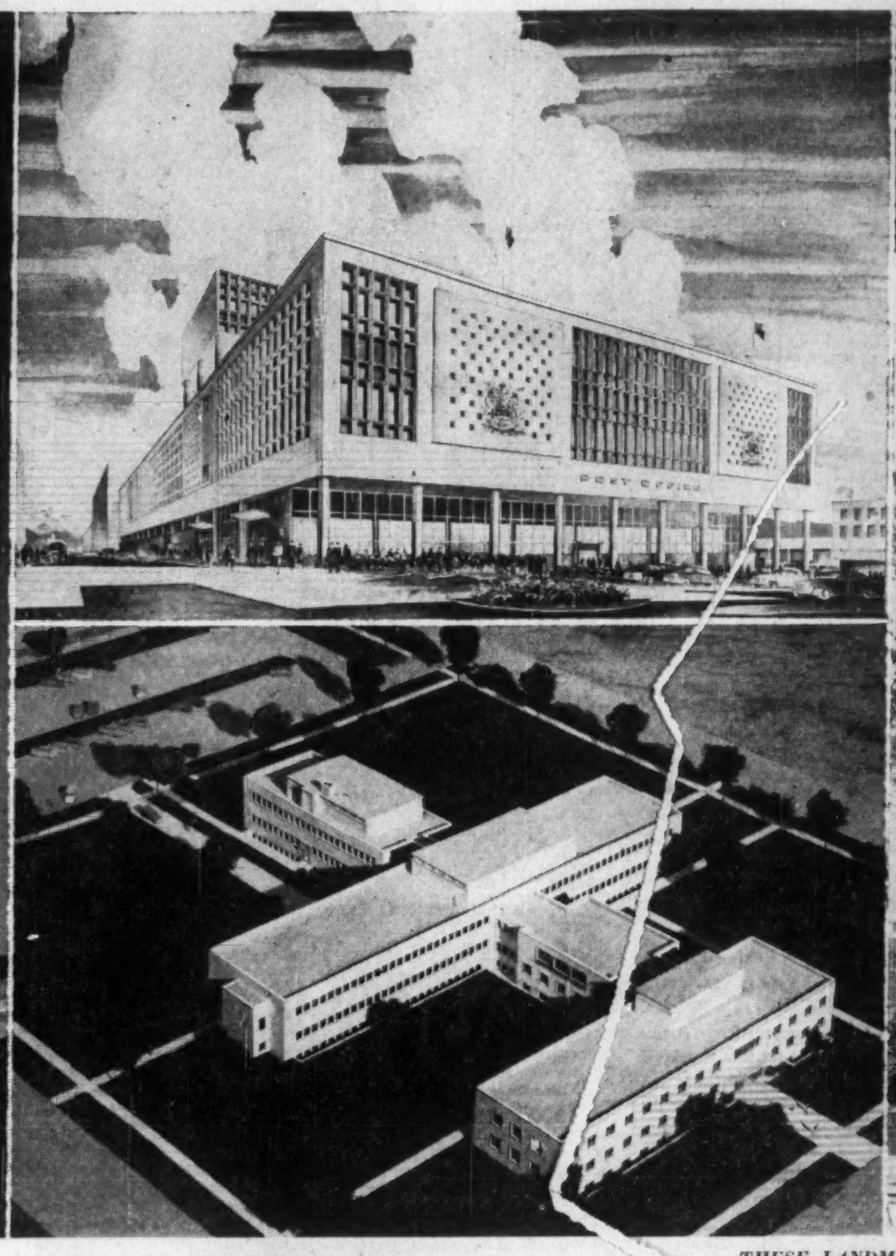
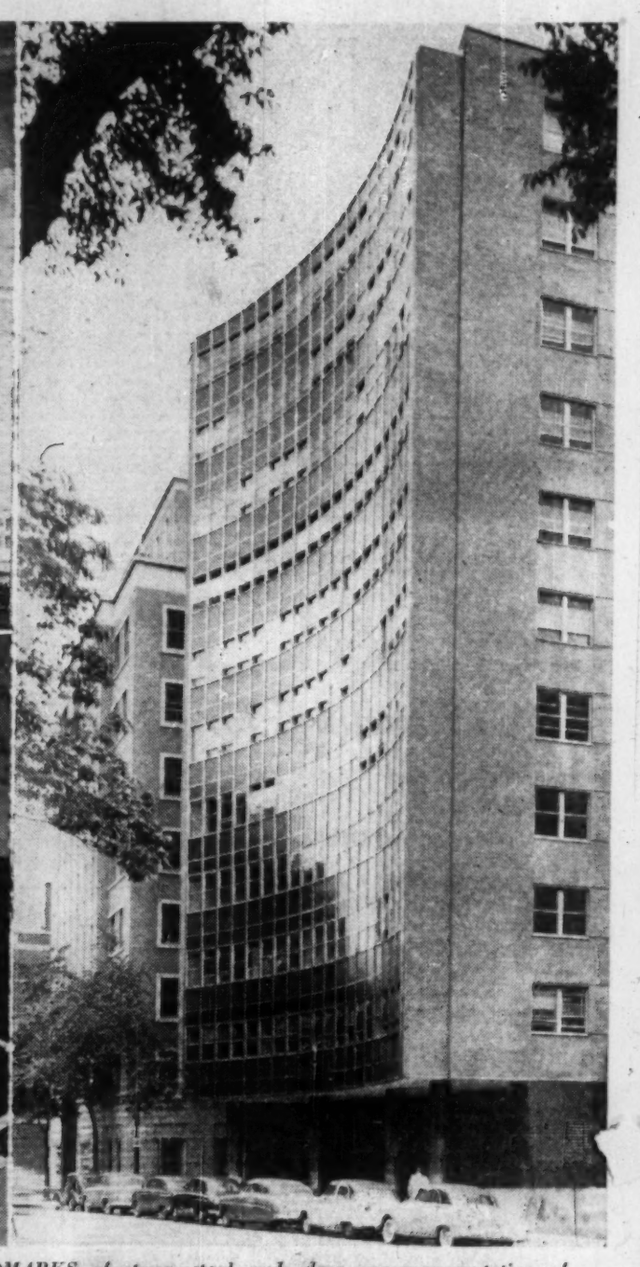






*THESE LANDMARKS of stone, steel and glass are representative of Canada's newest office buildings. At left, Imperial Oil's planned 19-story headquarters in Toronto, to be ready in 1957. Top centre, Vancouver's giant new post office building which will be completed in 1957. Lower centre, the new Food and Drug Laboratory of the Federal Department of Health, part of Ottawa's trend to spread out building. At right, the Nineteen Eighty Sherbrooke Building, Montreal, distinctive with its glassed, curved front.*

Architects: top centre, McCarter, Nairne & Partners; lower centre, Marani & Morris; right, Henry L. Pomey.

# Building Homes For Business

## *Towers of Steel and Glass Are Rising Coast to Coast*

One of the biggest building booms in Canada's history is still under way in office construction. Total value of new office buildings put in place last year was $110 millions, up from $73 millions the year before, and up then from $64 millions in 1952.

Big projects are under construction right now from one end of the country to the other. Actual work this year may not be as big as last year. The boom has ridden so high that it has partially caught up with demand.

Office rents are softer in older buildings than they used to be in some cities.

But demand will continue for new, better space as long as business continues prosperous.

The demand is almost as much for better office space as for more of it. Things like air conditioning are coming more and more to the fore.

Builders of rental office buildings have been putting more stress on prestige, on smart, ultramodern appearance. The competition for tenants may make permanent changes in Canadian standards of taste in architectural design.

A new feature is operatorless elevators in big, multitenant buildings. This slashes the heavy cost of operators' salaries.

The quantitative demand has been relieved considerably, but will not cease.

The army of executives, clerks and other office workers has been growing pretty steadily. Employees of finance, insurance and real estate firms, who are big users of offices, have increased about 30% in the last five years, and increased about 6% in the latest 12 months.

Governments are building office space on a big scale too. They have rented a lot of space on short-term leases over the past few years. Now they will own their own buildings. They may even be landlords now — building more space than they need and renting the rest out till they need it.

Outsiders are showing increasing interest in offices here as investments. Americans have been buying existing buildings. A British real estate investment firm has launched a program in Canada with a downtown tower in Toronto.

Here is a summary of office developments in some of the leading cities of Canada, by Post correspondents and staff writers:

### Toronto

Office building has slackened considerably in Toronto after a multimillion-dollar boom the last three years. Space is fairly readily available; second-class space in the downtown area is said to be filling up slowly as a result of relocation of former tenants in new, better-class buildings.

Office building permits in the city, where the bulk of office building in the metropolitan area has been taking place, were $17 millions last year. The figure was $34 millions the year before.

As it is common on large jobs to take out permits for different portions of the work as it progresses, these values are fairly closely related to actual construction put in place.

The desire for quality offices is expressing itself in alteration and modernization of older offices. This business is on the decline now too, however. Office alteration permits in Toronto city were $1.9 millions in 1954, compared with $3.3 millions in 1953.

Employment in offices gives some measure of the need that has existed for new space — just the quantitative demand though, not the demand for higher-class space.

Offices employing 15 or more people in finance, insurance and real estate had 6% more employees at the end of 1954 than a year earlier. They had more than one third more employees than only five years earlier.

Among this over-all class of office employers, banking, investment and loan firms had 11% more employees than a year earlier, and 38% more than five years earlier. Insurance companies had 4% more employees than a year earlier, and 32% more than five years ealier.

Crown Life has moved into a new $5-million, 120,000-sq.-ft. headquarters on the new "insurance row" on Bloor St. East. Two months earlier the Independent Order of Foresters moved into a new 57,000-sq.-ft. head office in the same district (with about 22,000 sq. ft. rental space).

Confederation Life expects to move in June into an $8-million, 10-story building on insurance row. Its downtown office building was recently sold to unrevealed investors.

Continental Casualty will also take up residence on insurance row in September. It will occupy 60,000 sq. ft. of a 110,000-sq.-ft. building. The Traders Finance Group of insurance companies will build a head office of undisclosed size not far away.

Imperial Oil is leading the way to office building on St. Clair, about halfway between "insurance row" and the northerly end of the subway. It's 19-story head office is being built on St. Clair Ave., near Avenue Rd., for early 1957 completion.

Office building has been hopping even farther north than St. Clair to the end of the subway on Yonge St. north. A small office building has been erected at Lawrence and Yonge, still farther north. More sizeable construction has jumped far to the west and north on Eglinton and Bloor.

The Physicians Services Building, owned by Physicians Services Inc., is now in operation on Yonge St. at the northern terminus of the subway. It is renting part of its 65,000 sq. ft.

Next door the Barclays Bank five-story building is expected to be completed about March. It has about 14,000 sq. ft. of rental space.

Two forces might slow northward movement somewhat: space around Bloor St. has been filling up rather slowly, and large amounts of vacant second and third-class space are available downtown. One estimate this summer was 200,000 sq. ft. of available office space downtown. There is possibly more now.

A British-owned company, Canscot Realty Investments, of Montreal, is building a 10-story, $1.7-million office building on downtown Bay St. It will have 50,000 sq. ft., including bank space.

Bell Telephone completed the first 150,000 sq. ft. of its University Ave. building. An extra wing is to be built on it after demolition of a recently vacated synagogue.

Shell Oil Co. has been buying land on University Ave., and states it has an alternative site elsewhere, for a head office building. It will not necessarily build now.

The new Toronto-Dominion Bank has stated it will not go in the market now for a new office building. It will use the two head office buildings of the former banks downtown.

Tower Investments have been building a number of rental office buildings around the north and west part of the city. One at Bathurst and Eglinton has about 40,000 sq. ft.

An 80,000 sq. ft. glass tower—spaces below windows would have glass exterior face too —has been standing on Bay St. just above Bloor with only the foundation completed for some time. It ran into trouble on financing. But rental agents say they expect it to go ahead this year.

Just next to the insurance palaces, Cockfield Brown advertising agency early last year occupied a new building, the largest ad agency headquarters in Canada. It moved from downtown.

Buildings completed last year or under way now inculde:

—Adel-Bay Building, downtown, about $5 millions of high-class space.

—Another high-class building, 111 Richmond St. West, with 185,000 sq. ft. of office space, owned by real estate investors Yolles & Rotenberg.

The CNR express garage and offices, to be finished this summer.

—Principal Investments Ltd. new rental office building at York and Richmond. This large building investor has other recent projects in the city too.

—A small but conspicuously placed building at University and Adelaide, owned by Louis Mayzell.

—A building for the Attorney General's Department, at York and Queen, to be completed this summer.

—An impressive building in a commanding site on University Ave. for the Bank of Canada, just being started.

—On the north fringe of downtown, above Dundas St. on Yonge, owners of a chain of bowling alleys are offering space in a projected Bulucon Building, with eight stories, 40,000 sq. ft.

Ontario Hydro moved into a $1.3-million new engineering building behind its University Ave. head office.

The Province should also complete the new Treasury Building next to the Parliament Buildings this year.

North American Life completed an addition of about 21,000 sq. ft. on the back of its downtown head office early last year.

A new rental office building at St. Mary's and Yonge, near Bloor St., offers space a bit removed from "insurance row."

Commercial Life's new three-story office building, with some rental space, fairly far north on Yonge St., out of the downtown area.

### Montreal

Two years ago, Montreal was in the position of having too much office space and too few tenants, but today things are about in balance.

The fast-growing office construction business is still busy. And, it seems everybody is happy about the present situation.

In the downtown area, rents range from about $3 a sq. ft. for older buildings to about $5 a sq. ft. for the more modern or best-located buildings.

There doesn't seem to be much difficulty experienced in obtaining space. But the low-priced bargains aren't plentiful unless you are prepared to wait for some time—possibly years. Nonetheless, people in the business say, supply and demand are now fairly well in line.

In Montreal and area there were 119 awards for office buildings valued at $18,152,900 during 1954.

A revolutionary new type of office building was added to Montreal's skyline during 1954. It was a $3.5-million structure erected by Nineteen Eighty Sherbrooke Corp., a syndicate of financial men and real estate men who have built several advance design buildings in the city during past years.

The 21-story building is on Sherbrooke St. West between Fort and St. Mark Streets. The structure's facade curves inward in line with the street, to make best land usage. Entire front of the building is made of glass and stainless steel, similar to the United Nations Building in New York.

On the inside of the building, all the latest innovations of modern architecture have been applied. To the rear of the main structure a double floor garage will be erected. Rent is about $4 per sq. ft.

It is based on an original design by Henry L. Pomey of Paris, winner of the coveted "Grand Prix de Florence."

Among the office buildings completed during the year was a three-story structure of Industrial Acceptance Corp. which cost almost $1.7 millions.

The building is in Mount Royal, a residential suburb, and houses the company's administrative personnel. IAC decided on the move for three reasons: accessibility of the building to the business district; cost and future requirements.

The company figures it will amortize the cost of the building over a 20-year period at considerably under the going rate for equivalent space downtown. The move might suggest the possibility of other companies moving toward the suburbs.

Other big office projects included: a five-story building of Standard Electric on Cote des Liesse Rd. and an eight-story building of McColl-Frontenac Oil Co. on Mountain St. which will be occupied in April. The Standard Electric project is completed.

A new 14-story office building will be started in early March. It will cost more than $16 millions and will include an east and west wing. It will be built by Dorchester Tower Corp.

The March start will be on the east wing which is expected to be completed by May 1, 1956. The west wing will be completed at a later date.

There will be 14 stories above the ground level and two below. It will be made of structural steel frame, reinforced concrete floors, continuous glass walls, acoustic tile and soundproofing and an underground garage.

The west wing will cover 13,000 sq. ft. rental space per floor. The east wing will have 4,750 sq. ft. rental area on each floor. There will be three high-speed elevators in the east wing and four in the west. Adminis-

(Continued on page 45)

# The Bright Outlook for Construction

## *Housing and Commercial Building May Set Pace This Year*

By HARLEY POTTER
*and Financial Post correspondents across Canada*

The construction industry has an importance right now that it has never had to the same degree in the postwar era.

People used to ask: will the houses get built? Will materials be available for new factories, offices, schools? The question in their minds was whether capacity could meet heavy demands.

Now the houses are being built at a record rate. The factories have been built in such volume that the need for new ones is at a much lower level. Other kinds of construction that are still riding high don't have much difficulty getting materials, labor, good prices.

In engineering construction, the big power shortages don't exist now. The hydro projects, though some big ones are still under way or planned, now read mostly as a list of accomplishments.

What they're wondering now is—will construction volume hold up? How many jobs will it supply on the site, and indirectly in other parts of the economy?

The questions reflect the fact that the construction industry is in a key role. It is being counted on to keep our economy stable.

Last year, it did the job in excellent fashion. Government economists have noted how there were two main buoyant factors in the economy: housing and consumer spending.

The answer to the questions people are asking about the construction industry is affirmative this year too. It looks like it's holding up quite well, or at least not declining substantially in volume. And elements in it will be quite strong.

The pattern for 1955, in fact, much resembles 1954, as far as it can be made out. A strong housing industry . . . a commercial building boom . . . a much lower level of industrial construction than a few years ago . . . a big engineering program.

As in 1954, wages may rise somewhat. (Five cents an hour raises were the most common last year.) Material prices are the same as a year ago, or a shade lower, on average. Cement prices have recently been cut. Materials may thus average out lower for 1955 than 1954.

In competitive bidding it is again the customer's year. The competition is severe. Winning bids are way down. The second lowest bid is usually close to the low bid, and the bids are numerous on most jobs.

The answer to the volume question is in the affirmative for the longer period ahead too, whatever it might be in 1957, 1958 or an individual year. There's a growing confidence in government and the industry that construction doesn't have to be a boom and bust industry.

In the U. S., the Stanford Research Institute has forecast construction volume there for the Weyerhaeuser Timber Co. till 1975. If Canadian construction volume rises at least as much as this carefully developed study indicates for the U. S., we would have an annual new construction volume of $5.3 billions by 1975, compared with $3.9 billions last year.

Schools, hospitals and other institutional buildings alone would rise by almost 40% to an annual new construction of $520 millions. That's in constant dollars, of course.

But Canada is more of a growth country than the U. S., so construction may well rise more here. Our population growth is certainly more rapid, which makes a lot of housing demand.

What business, government and others actually plan to build or construct this year will be known shortly when the Government publishes its survey of capital investment intentions.

There are speculations about what it will show. An industry leader has predicted total construction, new investment and repair, may hit $5 billions. (Last year's figure was $4¾ billions.)

Others suggest that capital investment may be down a bit. That would mean slightly lower new construction volume.

Housing outlook is, as always, a special situation. It can change rapidly with the wage-earner economy or the bond market. Heavy construction carries on with earlier plans for some time after business reversals.

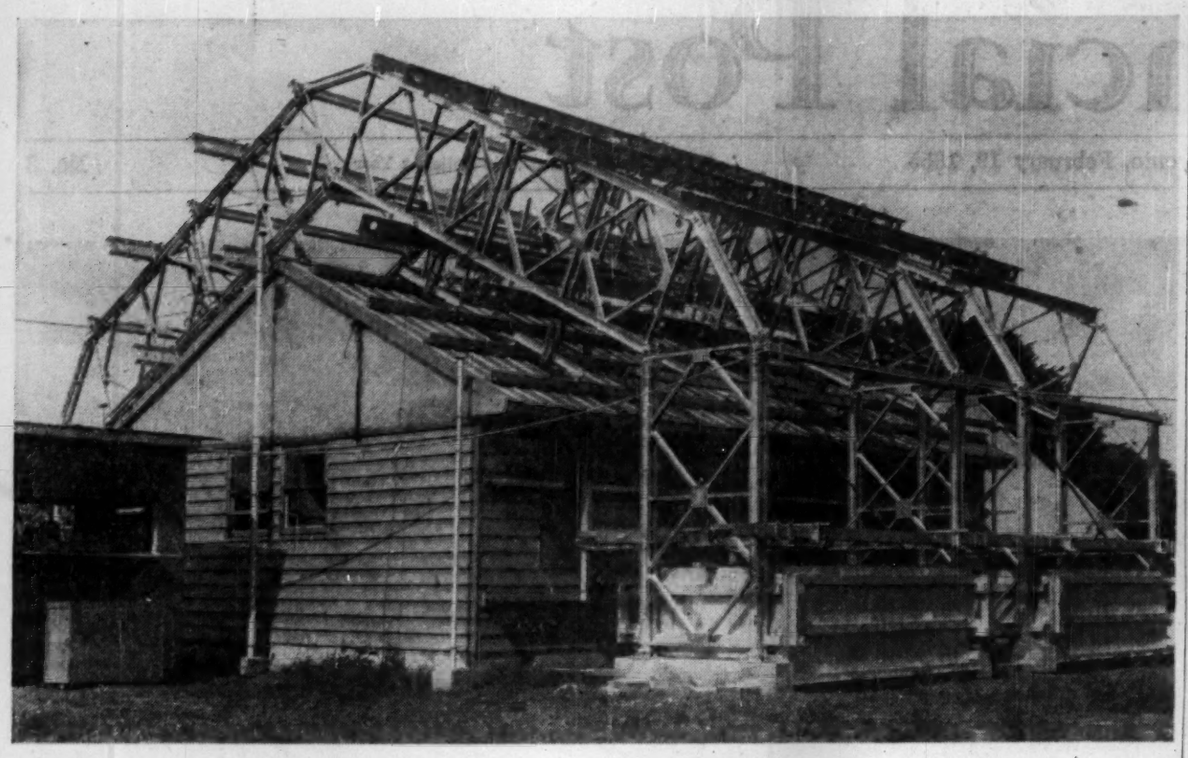
But the supply of mortgage money is so plentiful that housing volume looks bigger next year. There was a slump early last year while builders waited for the new NHA. So even if house building is only equal to the late 1954 pace, the year as a whole should be up.

Conventional mortgage money, outside NHA, is much more readily available than in 1953. One company even reports not being sure of getting all the first-rate risks it would like.

Removal of control of builders' sale prices on NHA houses is the most significant indication of the state of the housing economy. The move is based on a belief the control is not needed now—we are out of the seller's market in housing.

You may hear more talk in favor of NHA mortgages for financing sale of older houses and promotion of house "trade-ins." (It will come, too, if the demand for new housing

(Continued on page 44)



FIRST FULL-SCALE *structural test on a complete house in Canada was started at Ottawa last summer . . .*

# They Seek That Others May Build

## *House Structure, Fire, Permafrost Mean Work For D.B.R.*

**The Division of Building Research, National Research Council, is Canada's workshop for building up new knowledge on construction. Since it was formed in 1947, D.B.R. activities have spread into a variety of fields. A special section, often under difficult conditions, is gathering information about perennially frozen ground. Another, equipped with a special mobile research laboratory is making on-the-scene investigations of deaths in fires in Ontario. Last summer, other D.B.R. research workers made the first full-scale structural loading test on a complete house ever carried out in Canada. This report on 1954 highlights in the D.B.R. program gives the details.**

### *Permafrost Studies At Aklavik*

The Permafrost Section of the Division of Building Research is concerned with research into the ground of Canada which is perennially frozen, commonly called permafrost. This small research group works from its own station at Norman Wells on the MacKenzie River close to the Arctic Circle.

Soil investigations which it carried out in 1953 at the town of Aklavik in the MacKenzie Delta revealed soil conditions which were a factor in the decision of the Government to move Aklavik to a new site if a suitable location could be found.

Accordingly the entire section was diverted from a planned research program for 1954 to become a major part of the survey team sent to the MacKenzie Delta early in 1954 to explore for possible new sites for the new Aklavik.

The D.B.R. men took with them their special permafrost drill, used it to obtain cores of the frozen soil at prospective sites. They were drilling for these cores when the temperature outside was 30 below.

This work occupied the summer but the results contributed to information, which enabled the Government to select a site on the east channel of MacKenzie Delta for the new Aklavik.

The D.B.R. permafrost workers and their special drill were transported throughout the Delta by helicopter. It saved much time. In addition to actual site survey work, some scientific studies were made and a thorough knowledge of soil conditions in the MacKenzie Delta was obtained.

### *Research On Fire Fatalities*

One of the great responsibilities of the Division of Building Research lies in the field of fire research, directed toward reducing a tragic loss of life in Canada every year. A new branch of this work was initiated during the year. It is already proving of unusual value and great significance.

This is a study of actual causes of death in fires. For a beginning, the fire research team are limiting their studies to Ontario. Within the province, however, the research workers attempt to visit all fires in which lives are lost. They use the mobile fire research laboratory of the D.B.R. and carry out research investigations on the scenes.

The co-operation of all responsible provincial officials has been gladly given, notably by the office of the Fire Marshal of Ontario, W. J. Scott, O.B.E., Q.C. Not only have provincial authorities co-operated most willingly but municipal fire, police and legal authorities have also rendered every possible assistance.

This local interest in this branch of fire research work highlights the widespread concern in Canada at the continuing loss of life (and property) due to fires.

It is yet too early to give any results of this study of fire fatalities. But it can now be said that information is being accumulated which when properly applied, should assist in reducing materially the needless loss of life.

### *Structural Tests On Complete House*

Housing research with its accompanying technical problems is a prime responsibility of the Division of Building Research. It is a most complex subject with many sides. But attacks are already being made on some of the basic problems related to the standard Canadian frame house, which represents such a large proportion of current house building in Canada.

In general, local building regulations and the experience gained over the years in the art of conventional dwelling construction have served as guides to safe design in Canada.

It has long been considered, however, that this design could probably be improved and made more economical if more information were available on the actual performance of houses under loading conditions.

Safety on the one hand, economy on the other are chiefly responsible for the vast amount of speculation on what structural requirements of a dwelling unit should be to meet Canadian conditions.

An overdesigned house is unnecessarily costly to the owner. But, oversaving on essential materials is a potential threat to the success of the venture.

An accurate theoretical analysis of a house is extremely difficult, if not impossible in most cases. An immediate answer to the age-old question of a balance between safety and economy can only be got through an organized research program of structural testing, either on the site or in a laboratory equipped for the job.

#### Experimental Houses

The formation of D.B.R. in 1947 marked the beginning of organized building research in Canada on a national basis to serve the building industry.

One of the first projects initiated by the division soon after its formation was a study of the strength and rigidity of houses. To this end the Division, in co-operation with Central Mortgage & Housing Corporation, erected two experimental houses on the Montreal Road property of the council in 1948, for testing purposes and for special investigations.

These houses have been under observation since that time and have yielded some useful results.

During the summer of 1954 one of these houses was used for the first full-scale structural loading test ever to be carried out on a complete house in Canada. This experimental house was single-story, three-bedroom and had been occupied from the time of its completion until the fall of 1955. It has conventional framing in respect to studding, joists and rafters, with aluminum cladding on both the walls and the roof.

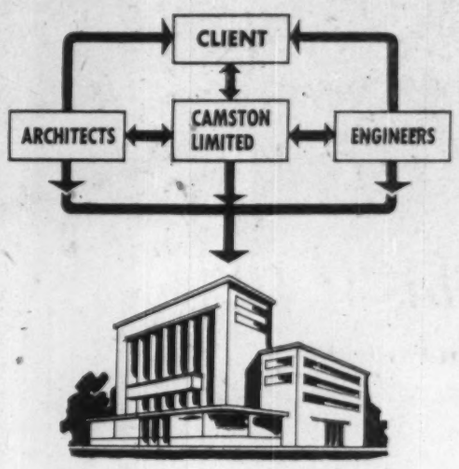
Outside wall construction, however, differs from conventional walls because of an experimental feature incorporated in the design—outside walls have no exterior sheathing, which normally contributes to the strength and rigidity of wall construction.

A steel reaction framework, composed mainly of Bailey bridge components, was erected over the test house so that loads simulating wind and snow conditions could be applied simultaneously by hydraulic jacks, operating from a central system and controlled by research workers. Loads applied simulated maximum anticipated conditions due to wind and snow likely to be encountered in most parts of Canada.

Results are now being analyzed. The conclusions to be drawn from this test will be made available for the benefit of the Canadian house-building industry as early as possible this year.

IF CANADA'S NORTH *is to be built up, more must be known about permafrost. A National Research Council crew drills for cores.*


**How to save Time and Money**

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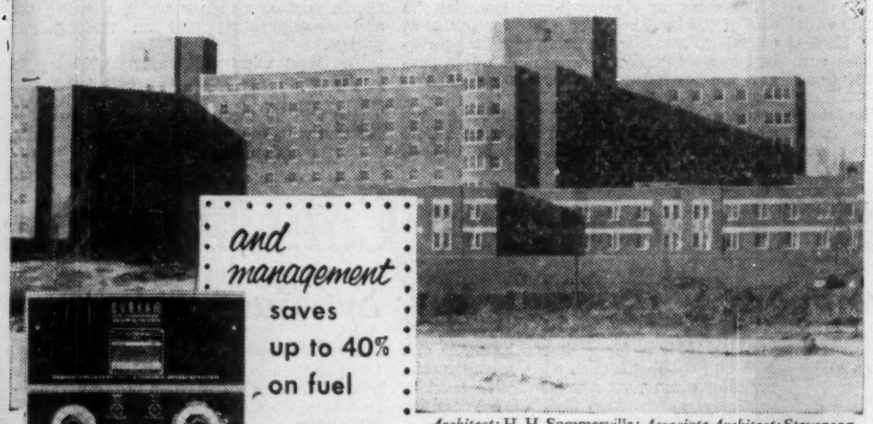

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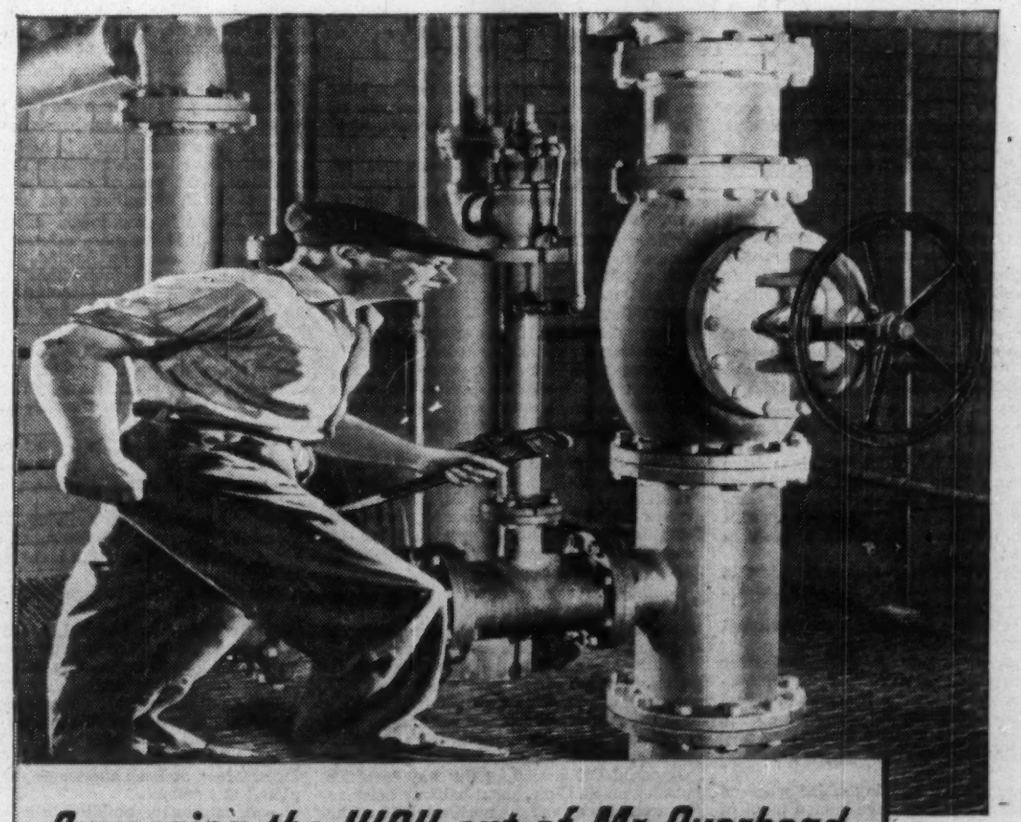

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***RIGHT NOW,*** a lot of plants are giving Mr. Overhead a thorough going over. And while in many areas nothing can be done about high costs, in others a little figuring may show big chances for economy.

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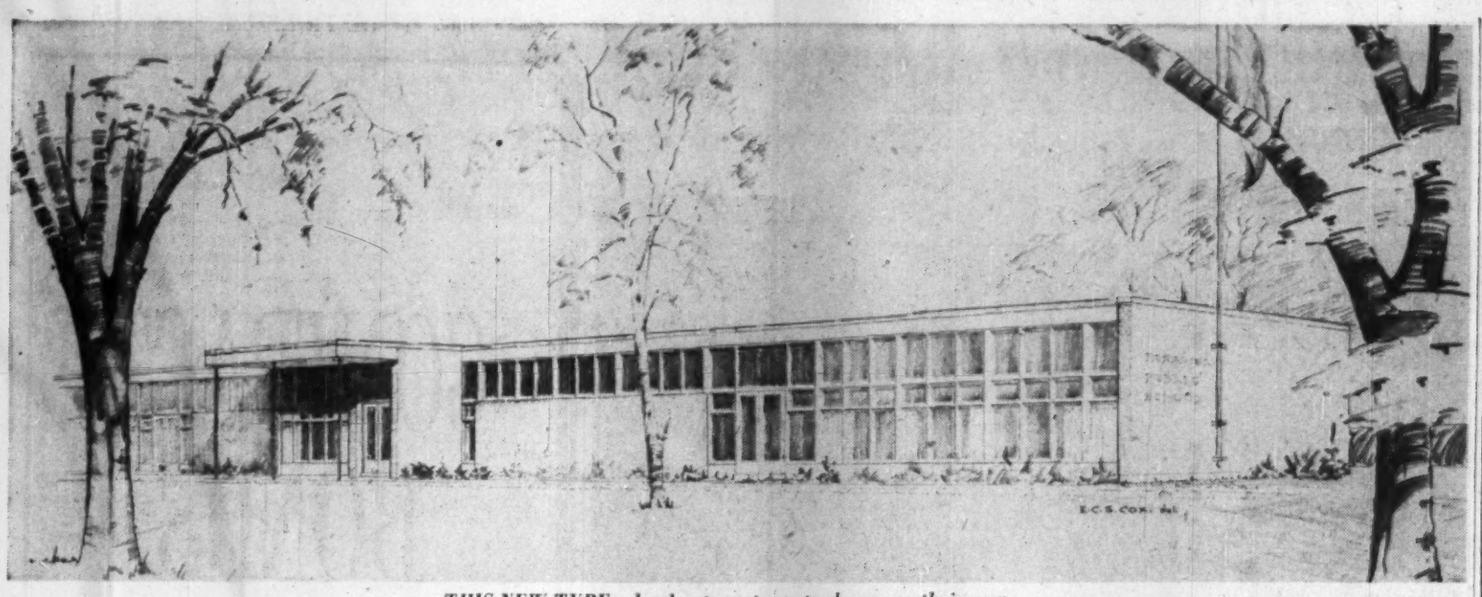


THIS NEW TYPE school cuts costs, puts classes on their own.

# This'll Please The Teacher

## Cut-Cost School Makes Each Class Independent

A school under construction at Pickering, Ont., incorporates some unusual principles of school design aimed at increasing efficiency. It also represents a resolute attack on the problem of cutting construction costs.

The four-room building departs from the idea of placing classrooms along a connecting corridor, either "double loaded" (classrooms on both sides) or "single loaded," as is often done in recent schools.

Instead, each classroom is an entity to itself and communication with other parts of the building is regarded as relatively unimportant. The boys' and girls' washrooms are between each pair of classrooms, with entrance vestibule from the playground area serving both rooms.

Each classroom in this way has its own complete facilities without any need to use the rest of the building.

The classrooms are widened by about the width of a corridor, however, so that traffic does not disturb class activities. Wardrobes and storage units along one wall make use of this traffic area; the children put on their outdoor clothes there too.

The north wall is glass from sill height, 29 in., to ceiling and requires no sun control. South windows are high and glazed with translucent glass. No direct sunlight reaches the area of the students' desks. Translucent draw curtains enable the teacher to control sun and sky glare at will.

Kindergarten windows on the south side are glass from a sill height of only 14 inches to the ceiling. This expanse of window is based on a desire for a great deal of sunshine in a kindergarten. It can be controlled with translucent curtains. The north wall is glass, like the other classrooms.

Plastic dome skylights provide daylight in the inside washrooms. (Ventilation is mechanical.) These domes give a pleasant light direct from the sky, and in greater quantity than a window somewhat larger.

The room design and ventilation fit together: a forced warm air heating system sends air into the room at the north window wall and takes it out near the wardrobes on the south side through ducts along the floor.

Flow of the air dries and ventilates and dries the children's clothing in the wardrobes.

Germicidal lamps in the air-supply ducts protect the children to some extent from air-borne infection.

To achieve the greatest economy, the structure is as simple as possible. Bearing walls support wood roof joists, with one row of steel beams down the centre of the building.

The walls are of sand-lime brick, which is less expensive than ordinary brick. Because these bricks require protection from moisture, they are painted. This will also supply color to the school.

Painting the inside of the brick walls saves the cost of finishing them more elaborately.

The floor is a concrete slab on the ground, covered with vinyl tile for finish.

Chalkboards are lighted by incandescent spots on the ceiling set at a fixed angle, which eliminates glare on the surface of the board. (Other lighting in the rooms is incandescent also.)

The classroom interiors show the greatest deviation from tradition.

More chalkboard space than usual is provided, on two walls. Along the top of the chalkboard are bookshelves, hung on the wall; these help overcome the inadequacy of book storage space that is so common in schools.

Corkboard panels will hang over the chalkboard from the map rail when needed.

Each classroom has its own drinking fountain. This way the teacher has complete control over the drinking fountain which is sometimes an invitation to horseplay among pupils.

A saving is made by having a stage at one end of a large classroom to enable it to serve as an auditorium.

The exterior has no added ornamentation or "tortured structure" to create an effect. The architects, Cox and King of Toronto, regard this simplicity as displaying a quiet dignity, which they consider is the basis of all architectural distinction.

Cost will be about $72,000, or $12 sq. ft. There will be accommodation for 140 pupils, so cost per pupil will be a moderate $516, without the furnishings.

# Where Canada Falls Behind

## Precast Concrete Spells Year-Round Work, Economy

***Except for the lack of gingerbread, our modern buildings could have been built 50 years ago, H. O. Hoseason, of Murray Associates Ltd., Toronto, told Canadian concrete products men at their annual convention. We are 'way behind the rest of the world in the use of precast concrete.***

***Architects, owners, manufacturers, he thought, were all partly to blame. Here is the text of his talk:***

**By H. O. HOSEASON**

We have all been exposed in the last few years to the glowing accounts of Canada's progress as a nation—quite justified in most instances. But gauged by our use and progress in precast concrete we are very slow and away behind other parts of the world. Europe, South American countries, and the United States all lead us.

In using the term precast concrete, I am referring to the manufacture of structural members, roof slabs, floor slabs and wall slabs.

Our lack of progress is due in part to two or three factors—lack of desire to pioneer by our architects in something new in Canada; lack of desire on the part of owners to deviate from so-called standard building design or appearance; desire of manufacturers to produce known standard products in mass production.

Our modern buildings could have been built 50 years ago — other than for the lack of "gingerbread."

Precast concrete has contributed a great deal to the truly modern design of European and South American buildings — not only architecturally but structurally—and with economy.

A greater degree of mutual cooperation between architects, engineers and manufacturers could result in better buildings with unique, pleasing appearance, and economies.

A great deal of success in this endeavor of course lies with the manufacturers. There are, in Canada, something approaching 15 plants turning out precast concrete units, and no degree of positive progress can be made by this industry without a common understanding of structural limits, standard design and codes.

This organization, the National Concrete Products Association, could provide an excellent meeting ground for the formulation and carrying out of progressive thoughts and plans for the better and fuller use of precast concrete products in Canada.

We are making progress—great strides—but even greater are before us if we wish to take them in the years of building activity ahead of us.

**Canada Led Here**

In roof and floor slab construction we have progressed in the last few years from spans of eight or 10 feet to the ready acceptance of spans from 20 to 25 feet. I saw recently a 250-foot clear span.

Our company had the privilege of introducing a cellular floor construction of precast concrete to replace cellular steel floors and cumbersome, costly underfloor duct systems buried in a poured concrete floor for office building occupancy—to provide the numerous outlets for power and telephone now a necessary part of an office building. This has met with great success and its use has spread to the U. S. where they are now adopting this system—quite a different picture from a few years ago when we all worked under the assumption of "used in the U. S. for years, therefore it may be used in Canada."

The first precast insulated wall panels were devised by our President Vic Murray seven years ago, and employed in a fully precast building at Three Rivers using precast rigid frame units with a 60-foot clear span and roof slabs of 25-foot span between bents. This type of wall panel is now used extensively in Canada and the U. S.

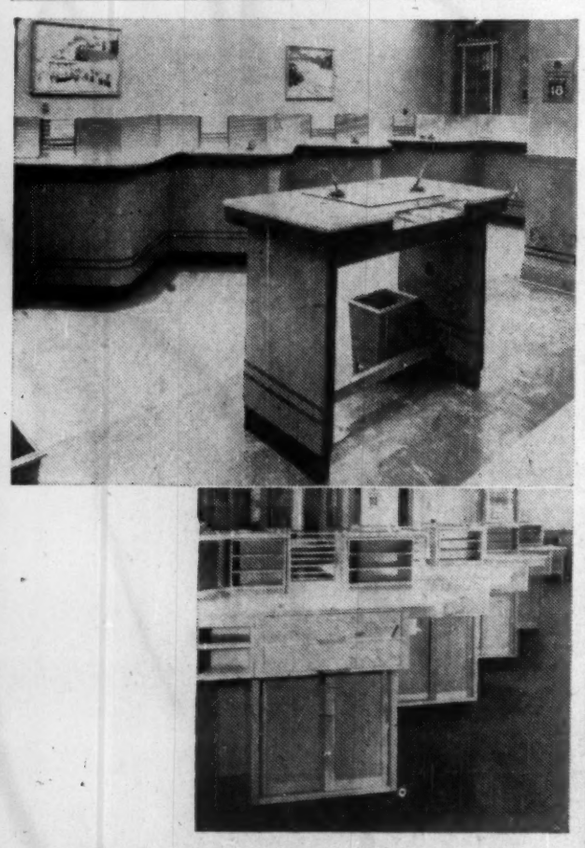
The total area of roof slabs and floor slabs manufactured in Canada increases from year to year, and we have a healthy, growing industry.

Construction in Canada is particularly adapted to precast construction. Now, due to economic pressure and in an endeavor to spread the construction peak over the 12 months, building is carried through the winter. Precast floor and slabs, being factory-made products, may be shipped to the site and installed in any temperature. The high cost of field labor and carpenters makes forming and poured concrete an expensive item and helps promote the use of factory precast units.

We are all interested in the value of fire-resistant construction, and precast concrete units satisfy this requirement.

The apartment house building program, in full swing across the country, is an excellent field for the sale of block, brick, tile and precast flooring long span units and can be sold as packaged units with co-operative interest between the various manufacturers. This results in a complete fire-resistant structure.

Beyond the actual details of precast units—whether it be roof, floor or wall — there is a great open future for all types of concrete units, but we need co-operative, pioneering initiative to make the best use of them all to broaden the field and to acquaint the designing people and public of interesting constructive, economic possibilities of concrete products.

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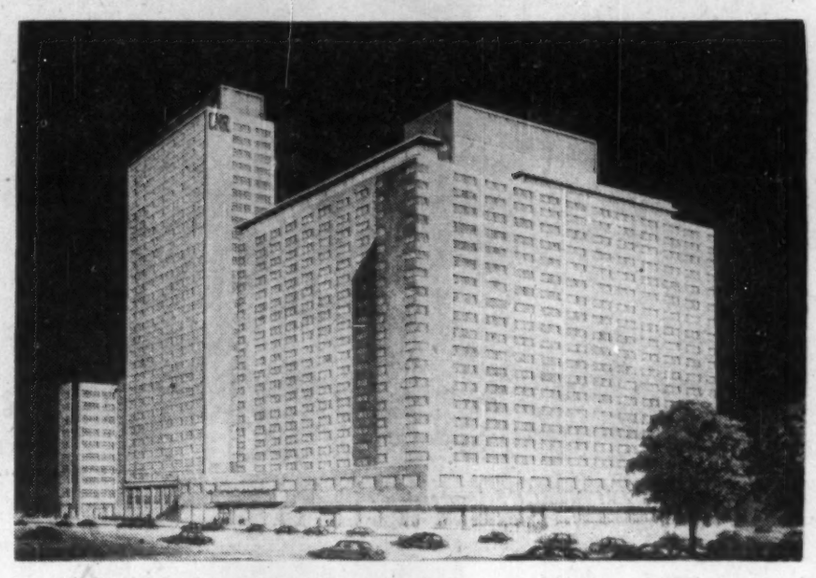
## The Queen Elizabeth Hotel, Montreal



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There are many reasons for this statement. The most obvious one is the enormous amount of wood used in housing. Did you ever see a house without a piece of wood in it? To the casual observer, many of our city's homes appear to be made of brick when, in fact, the structure of the house is actually lumber.

In another sense — a more important one — lumber is your home's foundation. For our great lumber industry prefaced Canada's development. Lumbering sites were our original settlements. Our great waterways and canals system were created to serve lumber operations. Many of our railway lines were built by lumbermen. The money earned by lumber for Canadians created a bigger and better Canada.

Today this great industry is still a leader — in numbers of people employed, value of production, and in exports. Lumber's contribution to the Canadian economy and hence *to you* is not just an asset but a necessity.

CANADIAN LUMBERMEN'S ASSOCIATION
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—Fleury, Arthur & Calven, Toronto.

*HERE IS AN ARCHITECT'S impression of how the Building Centre will look when renovation is completed. Outer walls will be faced with opaque glass tile.*

# New Building Centre Will Be Showroom for the Industry

*OFFICIALS of the new Building Centre, Professor Eric R. Arthur and Archie R. Craig study a model of a recent building development. Facilities of the Centre will bring together materials and methods of interest to every builder.*

Suppose you're an architect, designing a small office building. You tell your client, "This building should be faced with limestone, or alternatively granite."

He, quite naturally, says, "What's that?" And you're faced with the job of telling him there and then what a building faced in limestone looks like.

Or suppose you're a builder. You've come up against a problem. For this type of erection, no ordinary joisting will do—it's got to be something special. Who can tell you?

Or you may be a contractor. All of a sudden you're rung up and asked to supply a special type of tiling. You've never heard of it. What do you do?

Or you're an ordinary man in the street. You have an idea what your dream house looks like—but you haven't a clue how to set about making the dream reality. You know how you want it to look—how do you find out the material needed, the cost?

Questions like these — and thousands of others connected with building—crop up for someone every day in life.

Finding the answers is often one of the toughest problems the building trade—and the customer—has to face. Often it takes days, or even longer, to translate an idea into actuality. Often it involves traveling quite long distances to see some type of stone or joist or window or roofing that the builder thinks he may need.

Soon—in September this year—all that is going to be changed. For that is when Canada's first Building Centre will open.

The Building Centre—or, to give it its full title, the Building Materials Display Centre—will be the means by which anyone with any interest in building—architect, designer, builder, contractor, manufacturer, customer—will be able to inspect, query, display the hundreds upon hundreds of different materials that go into building today.

It will be showroom, discussion centre, information office, exhibition hall and a dozen more things rolled into one.

And it all began in the mind of a Malayan-born Scots-Canadian. Archie R. Craig is "a man o' parts" who was born into the construction business. His father, James Craig, did much to open up the interior of Malaya, constructing bridges, roads, reservoirs, buildings.

Craig was educated in Scotland, went to Glasgow University, has had 20 years' executive experience in the building and construction business. He was chairman of a government-sponsored committee, consisting of architects, contractors and government representatives, which was set up in postwar Britain to study the use of non-traditional materials.

He came to Canada in 1951, as an emigrant but also to do a survey for his old firm. They were interested in getting building materials from Canada and possibly setting up in business in this country.

It took Craig three months to do a survey which in Britain would have taken him three days. The reason? Both in London and Glasgow there are Building Centres where a man in Craig's line of business can get all the information he wants, their source, availability, and so on, in a matter of hours. In these centres he can see a selection of various types of material, talk to men who make and sell them, contractors who supply them, builders who use them.

Canada had nothing like that to simplify Craig's survey. He had to go from office to factory to merchant's showroom and back, before he could get data on even one piece of material.

There and then, the idea of starting a Building Centre in Canada became the subject of much hard thinking on the part of Mr. Craig.

It has taken four years to bring the idea to fruition.

Meanwhile Archie Craig turned to finding out how his own profession worked in Canada. One of his major jobs was as resident construction supervisor for the downtown section of the Toronto Subway.

**What It Offers**

Last year, the Building Centre began to take shape. Craig talked about it to all sorts of people—found a great deal of interest displayed. All sorts of people connected with the building trade thought the idea was sound. All admitted there was a real and pressing need for a place of its type in Canada.

Heartened by this support, Craig really went to work. In a few short months, this is what he has achieved:

—Formation of a new company, Building Materials Display Centre Ltd., financed privately.

—Appointment of a board of directors.

—Leasing of a building to house the Centre.

—Start of arrangements to renovate the building.

—Start of a campaign to acquaint the public with the existence of the Centre and its functions.

The Building Centre will be located at 12, Shuter Street, Toronto, opposite Massey Hall. It has three floors, with a total floor-space of 30,000 sq. ft. There's also a basement with 10,000 sq. ft. of space.

It will be run as a place where manufacturers and merchants can set up permanent exhibitions of their materials. It will be in close touch with technical research departments to carry out tests on materials; information departments capable of handling every kind of inquiry relating to the industry; educational departments which will provide material to students, lecturers, and others; government departments on various aspects of the industry. It will provide a complete service on application of materials; it will feature architectural displays.

The Centre is to have an auditorium to seat over 200 people. It can be used for lectures, exhibitions (the Centre hopes to feature exhibitions from overseas especially, as well as Canadian ones), demonstrations, and discussions.

**International Contacts**

It will keep in close contact with international developments in the industry, correspond with other building centres in Britain, New York, Copenhagen, Zurich, Amsterdam, encouraging the international exchange of information.

When the Centre is completed and ready for opening this fall, it will look something like this:

—Front of the building in opaque colored glass, with almost full-length plate-glass windows on each floor.

—Glass entrance into main floor.

—First floor—lounge, information desk, exhibits.

—Second floor—exhibits.

—Third floor—exhibits, administrative offices, auditorium and lounge.

Other features: coffee service in the lounges (designed as places where architects, their clients and others can sit comfortably and talk about the things they have seen); short-order restaurant next door and with a connecting door to the Centre; ample parking space in the surrounding area; writing facilities; trade journals and periodicals from all over the world in the lounges; loading bay on the ground floor connecting freight and passenger elevator for moving heavy material to upper floors.

Exhibitors (there will be space for about 600 stands of all kinds) will pay a service charge for the use of space in the Centre.

And the exhibitors will not be restricted to the use of the floor only. A paint manufacturer can show his wares on the walls. A maker of ceilings can show his goods by fitting up a section of the ceiling as a display. Electrical fittings can be hung. Every inch of available space can be utilized.

Exhibits will be constantly changing as new materials and new ideas come on the market. And in any case, exhibitors will have to change their setup from time to time as part of their contract. At various times, sections of the industry will be featured in special displays.

The Centre will be staffed by personnel who will be able to answer inquiries on any subject connected with the trade, whether they are made by phone, mail, or personal contact.

**First-Hand Information**

The board of directors of the new company consists of A. R. Craig, president and general manager; J. F. Harris, vice-president and treasurer; Professor Eric R. Arthur, professor of design at the School of Architecture, University of Toronto; Lane Knight, vice-president of Master Builders Co. and organizer of exhibits for the Architects' Convention; J. L. Stewart, Q.C., of Fraser, Beatty, Tucker, McIntosh & Stewart, barristers, secretary; D. M. Deacon of F. H. Deacon & Co.

How will the Centre be used? Here's the way the organizers see it:

**For the architect,** it will provide answers to problems relating to materials, selection, their uses in various types of building. New materials displayed will keep him up to date, existing ones will refresh his memory.

The Centre will be a place where he can show a client the actual material he proposes to use, explain its uses, demonstrate its suitability, show off its looks.

Max W. Roth, Montreal architect, when he heard of the Centre, said: "On a number of occasions I have had to take clients to the Architects' Samples Corp. showroom in New York to help them in deciding in the selection of materials."

**For the contractor,** the Centre offers a single location where he can see all the material he uses, study new methods of application and construction, get the latest data on materials research. Here he can compare costs (his problem is usually one of cost and suitability), find alternatives.

The Centre will act as that essential link between the manufacturer with a specialized product and specialized knowledge, and the potential user who has to be informed of both of these.

**The manufacturer** will use the Centre to get his product before the people who are most likely to use it. It will provide that central showroom, the answer to the questions, "What can I use? And where can I see it?"

The Centre will not take the place of the salesman—rather will it act as a dozen salesmen, supplementing the regular travelers by providing a showplace in a convenient location.

**And John Q. Public,** the man who eventually pays for the houses and buildings, the bricks and mortar and the services of the experts—how can the Centre help him?

By showing him exactly what he can get for his building dollar, how he can use it. By showing him where to get the answer to his particular problem, by explaining the latest in designs, in labor-saving and cost-saving devices, by putting him in touch with the people best suited to deal with his particular want, be it towel-rail for the bathroom, acoustic ceiling for his office, or a two-acre plant.

The Centre will not recommend any particular product. It will be a showplace, not an advertising agency.

That the Centre is necessary to Canadian building trades goes without saying. George D. Gibson, president of the Ontario Association of Architects, said: "The need for such a centre has been apparent for a long time and is increasingly becoming more urgent as the wealth and variety of new materials steadily grows."

The Centre will be the most comprehensive of its kind on the North American continent. It will far exceed in scope the New York centre, called the Architects' Samples Corp. And it bids fair to rival the European centres. If Archie Craig has his way, it will, in fact, be the best in the world.


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There have been important advances in the technology of blasting in the last 10 years. A new method that has become widespread is known as "millisecond delay" blasting.

It is an improvement on the old idea of delay blasting, in which there are brief periods between individual detonations in a big blast.

Now it is possible to time delay between detonations down to thousandths of a second. This control is achieved in several ways. Timing devices may be built in or attached to electric blasting caps. Or they may be tied into the primer cord that is used to add to the shock given by the blasting cap. Or the control may be in the blasting machine which sends the current to set off the blasting caps and primer cord.

Millisecond blasting gives a closer control of rock sizes produced. It also reduces vibration, minimizing the possibility of damage to any nearby property.


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# Plastics Are Maids-of-All-Work Today

## *New Uses, New Types, Will Go Far In Modern Construction*

After many years of running second place as a substitute material, plastics have now reached the level of acceptance held by such long tried construction materials as wood, metals, ceramics, glass, etc.

Plastics are now considered full-fledged engineering materials in their own right.

Tonnage volumes are showing a faster growth pattern than any of the long-established construction materials. The 1953 output rate was more than double, for instance, the 1949 rate. In cubic footage produced, plastics now exceed aluminum, copper, zinc, lead and magnesium on this continent. Currently around 14% of plastics production is going into the construction industry.

In spite of severe competition from cheaper and more familiar building materials, plastics are now making inroads into almost every aspect of building construction. The applications include reinforced plastic structural members, plastic curtain wall panels, plastic moisture and vapor barriers, foamed plastic insulation boards, fire-retardant plastic roofing films, plastic glazing and lighting fixtures, plastic piping, ducts, conduits and multiuse formwork for reinforced concrete.

Plastics have already revolutionized such industries as floor coverings, pipe, paint, kitchenware, packaging, electronics, etc. They are working their way increasingly into such large-volume industries as automobile and furniture manufacture.

The range of plastics applications appears endless. There's talk of using plastics as mortar around brick or stone. Up to now mortar is the weak part of a brick wall. Plastic is relatively easy to handle and plastic mortar can be made as strong as the bricks themselves. The one weakness — heat resistance — is expected to be overcome soon.

Someday homes and large institutional buildings may be floored by poured plastic material. Being a liquid the material would need no leveling. The acrylic plastics have long had an eye on the huge glass market. These plastics are lighter than glass and less brittle and they are better heat insulators. One of their main weaknesses—the fact that they can be scratched easily—can be overcome, the scientists claim.

### New Horizons

Plastics people are now asking why can't plastics replace wood for inside house trim, copper for gutters and downspouts, iron, ceramics, and steel for pipe. One should be able to form plastic products as easily as copper and other light metals which can be worked. Iron and steel are low cost but they are heavy and they corrode.

Plstics may be translucent, opaque, or transparent. They may be rigid, flexible, or even elastic. They can have great tensile, flexural, impact or pressure strength. Some are resistant to moisture, some are resistant to practically all chemicals. Others are excellent insulators.

They may be formed into almost any desired shape by a variety of industrial processes. Some may be molded for such things as radio cabinets. Sheets can be formed into aeroplane cockpit enclosures, or instrument panels or just used as wallboard.

They may be used in hard shiny automobile paints or the popular latex-type water paints used widely today. Some 10 million lb. a month is going into the Canadian plywood industry in the form of adhesives.

A tremendous amount of interest is now gathering around a promising new development that could push the application horizons for plastics back even further. Several larger U. S. plastic resin producers are experimenting with atomic bombardment of such plastic material as polyethylene. It has already been proven that this treatment boosts heat resistance immeasurably — overcomes one of plastics main weaknesses. The big question—now being answered—is whether the treatment can be made practical on a cost basis.

### Pipes For All Purposes

One of the biggest volume markets now rapidly opening up for plastics is in the pipe field. Plastic pipe is being used to carry drinking water to underground mine workings; to move chemicals in industrial plants; to pipe natural gas, propane; to irrigate farmlands, golf greens, in municipal and farm water systems, etc.

Its lower cost, easy and inexpensive installation charges, are the chief advantages of plastic pipe. Because it is flexible—can follow the contour of the ground, go around corners without special fittings—farmers can readily install their own waterworks systems. It won't corrode or rust like many metal pipes. It has several other important desirable qualities as well, such as its inertness to most chemicals.

Although the plastics pipe people are excited about the many promising new applications opening up, they look on farm water systems as providing their butter-and-bread business for some years yet. Some 80% of all plastic pipe is currently going into farm water systems.

Around 90% of all the plastic pipe being used in Canada today is made out of polyethylene. That is the same, semi-transparent, flexible material that goes into the squeezable-type cosmetic bottle. In the standard 1-in. thickness a man can carry a 300-ft. coil.

Chief limitations in the popular polyethylene pipe are its relatively low pressure resistance and poor performance under high temperature conditions. For instance boiling water will do strange things to polyethylene plastic pipes. This pretty well rules out its use in hot water systems in many industrial applications.

Although the industry can now offer a heavier-wall pipe that will withstand fairly heavy pressures and high temperatures, the extra cost involved narrows the price advantage over competitive pipes.

The plastic pipe people see the municipal waterworks system as one of the most promising growth fields over the next few years. Although not widely accepted as yet by municipal utility engineers, some 10% of all polyethylene pipe is now being used as feeder pipelines from municipal mains. It is expected that the current revision of the federal and provisional plumbing codes will pave the way for much wider use of plastic pipe in this application.

Use of plastics rather than black iron pipe for conveying the freezing brine mixture in artificial rinks is another promising new application for plastic pipe. Not only do the plastic pipes cut rink costs materially — both material and labor — but in summer, the whole pipe system can be raised and stored away for next winter leaving the land space available for other sports. Better still, the pipe can be installed by volunteer, unskilled labor. Two such rinks have been in successful operation in this country since last winter; at least four more are now being installed.

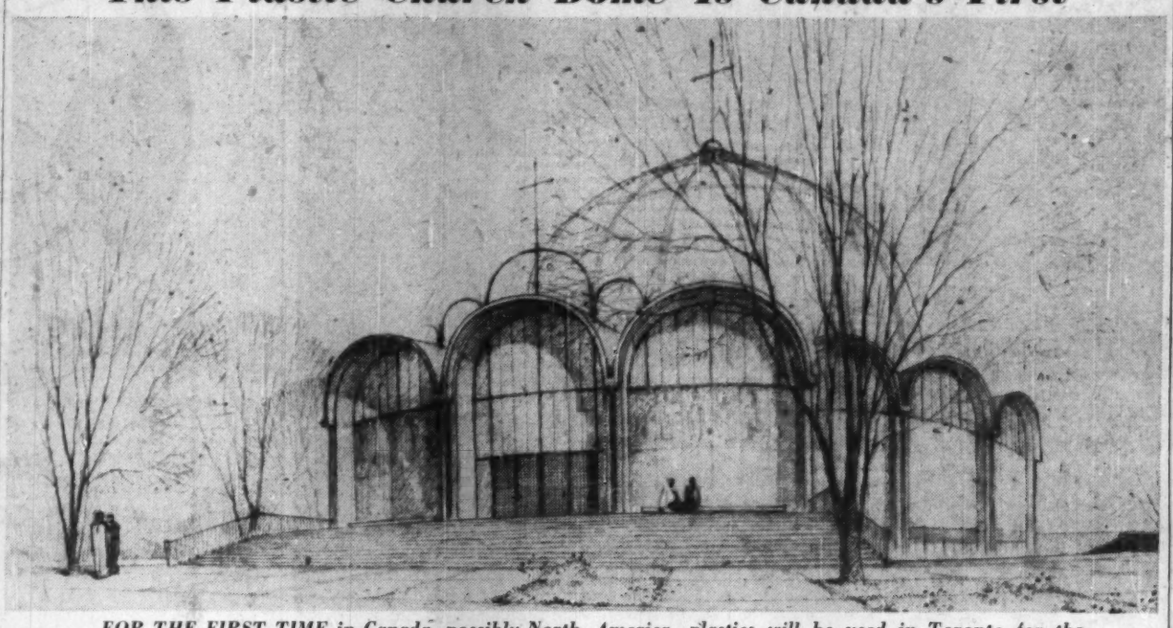
The fast expanding oil and gas industries provide a tremendous market for the plastic pipe in this country. In this application however, other types than polyethylene pipe will grab off the major share of the market.

Polyethylene — which is made from a petroleum hydrocarbon itself—breaks down when transporting crude and gas. The butyrates, Kralastic (combination of rubber and plastic) pipes will likely get the bulk of the market.

Some rather remarkable results are being obtained in bonding plastic coatings to the inside of steel, both in pipe and hot water tank applications. The plastic pipe provides the non-corrosive requirement and the steel the structural strength. Several of the large steel pipe firms in U. S. are currently experimenting along this line.

In all there are now close to one dozen well-established plastic pipe makers in this country and almost as many small operators. This past year they turned out enough plastic pipe to stretch from Toronto to Vancouver. Next year they expect to better this by close on a third.

### *This Plastic Church Dome Is Canada's First*



*FOR THE FIRST TIME in Canada, possibly North America, plastics will be used in Toronto for the dome of a new church. Slovak Greek Catholic Church of the Nativity of the Blessed Virgin Mary is to have a dome of Plexiglas on reinforced concrete ribs. Its 62-ft. diameter will cover almost the entire building now going up in reinforced concrete. Lightness in weight was an important factor in choice of material for the dome. Architect is Michael Bach, Toronto.*

## *There May Be A Big Future In This New-Style Cow Barn*

A "Geodesic" cow barn built last year at Ste. Anne de Bellevue, Que., embodies a type of construction that some architects believe may be a leading method of construction in the future.

It is a giant dome-like building of reinforced plastic on a framework of laminated timber.

The "Geodesic" design, patented by Buckminster Fuller, an American researcher of some standing, consists of large triangles on a many-sided structure that approximates a hemisphere. It is adaptable to many kinds of buildings. The Canadian sponsors of the Ste. Anne de Bellevue adaptation plan to mass produce it for sale as an ultra-economical form of construction for general shelter problems such as warehousing or bulk storage.

The Quebec barn is 84 ft. in diameter and 32 ft. high. Minimum ceiling height is 10 ft.

The glue-laminated and pressure-treated framing members are of B. C. fir. They fit together to form triangles about 12 ft. by 14 ft. Steel shoes and bearing pins and stainless steel aircraft cables tightened by turnbuckles hold them together. There is a special arrangement to keep the frame from "bowing" apart at the bottom.

When this frame is up, the plastic panels are applied. They fit into grooves in the tops of the timbers, and are wedged into place by aluminum extruded clips held by aluminum nails. The joints between panels are waterproofed by four-inch polyester tape glued all along the joints.

### Strength Saves Weight

The panels are 1/16 in. thick, of polyester reinforced with glass fiber. They act as what engineers and architects call "stressed skin" surfaces. As a result they add so much strength to the structure, a saving of 75% in the weight of the frame is possible.

There is a skirt of heat-treated Orlon taffeta round the bottom of the building and a vent at the top, to provide ventilation. Suitable barriers keep the cows away from the taffeta.

No floor is needed, in this use, as a thick pack of barn manure keeps the frost out. (And bacteria and nitrogen innoculations keep the manure healthy. The kind of farming to be done in the barn is as advanced as the barn). The barn contains two 25 ft. high silos.

No geodesic building needs a foundation.

Jeffrey Lindsay & Associates, Montreal, are designers and builders of the Ste. Anne de Bellevue barn and others to be built like it.

### Experimental Series

The "Weatherbreak," as the building will be called, "is one of a series of experimental structures which take advantage of today's industrial and structural techniques," says Lindsay. "These demonstration units conclusively

(Continued on page 49)

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Upper photo: the Oxford Street Bridge, City of London. City Engineer: Roy Garrett, Consulting Engineers: M. M. Dillon & Co. Ltd., London, Contractors: Aiken & McLachlan, St. Catharines, Ontario.

Lower photo: is the Thorndale Bridge, County of Middlesex. County Engineer: F. Boyd Arnold, Consulting Engineer: M. M. Dillon & Co. Ltd., London, Contractors: Mowbray Construction, Wingham, Ontario.

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# Multi-Million Dollar Plan Takes Shape in Montreal

## *New Queen Elizabeth Hotel Just Start of Big Project*

A huge "crater" fashioned in the heart of Montreal's business district is evidence of a good start on the new $20 millions, 21-story CNR hotel which is scheduled for completion in the fall of 1957.

The importance of this excavation work, however, extends beyond the construction contracts it brings immediately. Ultimately, it will mean more and bigger contracts for the development of the Central Station area into a great civic centre.

The grandiose plan provides for a 150-ft. wide plaza on the north side of Dorchester facing the new "Queen Elizabeth" hotel. This will be flanked by modern office buildings and high-class specialty shops, theatres, apartment houses and other buildings.

These structures, as well as others south of Dorchester St. are designed to develop the area into a huge civic centre if private capital takes advantage of the opportunities made available.

The opportunities will be very diversified. With the overhead rights that the railway will have to offer, the Central Station area will embrace 822,500 sq. ft.—142,500 sq. ft. more than Rockefeller Centre's three blocks in New York.

**28-Story Railway Office**

The complete terminal program, of which the hotel is but one phase, has been the subject of intensive study during the past few years by railway architects, working in close relationship with the Montreal Planning Department and Jacques Greber, its consultant. Plans for later development by the railway include a 28-story railway office building to be erected between the hotel and the International Aviation Building.

For the past eight months work has been under way at the hotel site. Limited demolition has been completed and extensive excavation work is progressing.

Any time now, steel workers are expected to begin the task of putting together beams and girders to form the skeleton of the hotel. The general building contract will be awarded when steel erection is far enough advanced for this work to begin—probably about six months after the start on steel.

Here is the schedule of work to date:

—Several preliminary steps, related to station operations but necessary before work on the hotel could begin, were carried out over a period of several weeks prior to work starting in June, 1954.

—A new taxi passageway from the station's south plaza to Lagauchetiere St. was opened. The one previously used was torn out to permit demolition work on the retaining wall.

—A new taxi approach to the north plaza was constructed under the East Street bridge from Cathcart St. and a new bridge and building maintenance shop was built in the Dorchester St. bridge structure.

**Program Synchronized**

While engineering details were worked out and schedules by Chief Engineer R. O. Stewart, a synchronizing program for the building operation was drawn up by chief architect C. F. Drummond. During all the planning, members of the architects department worked in close consultation with the engineering department to ensure complete co-ordination of each step in the development.

Work started June 23, when workers began demolishing the old railway express garage on Mansfield.

The garage which has now disappeared was an old landmark. It was built in 1918 by the Canadian Northern Express in conjunction with the Tunnel Station, demolished in 1952. The Canadian National Express, which took over the Canadian Northern, vacated the garage in 1933. Since then, with the exception of a three year period ending in 1942, it was leased to various outside interests, the last of which moved in April, 1954.

Work began in June on the removal of the bridge serving the former traffic exit from the south plaza. A new exit was opened a few yards from the one closed with the start of the job.

In July, E. G. M. Cape of Montreal secured the contract for the excavation and foundation for the hotel. This work began in the same month and is expected to be completed in the immediate future.

The work will be carried out in six progressive stages to permit steelwork erection to begin earlier than otherwise possible. The first stage covers the area from Dorchester St. to a point 300 ft. south on Mansfield St. The other five stages cover the area comprising about one half the existing north plaza of the Central Station.

**Contract for Steelwork**

Excavation involves the removal of about 35,000 cu. yards of earth and rock from the hotel site, and the removal of the part of the concrete plaza structure now located between the station and Dorchester St.

The foundation itself calls for these approximate quantities—15,000 cu. yards of concrete; 1,000,000 pounds of steel reinforcing bars; 186 steel columns on which the hotel will be anchored to bedrock and 13 concrete buttresses.

In late July, the Dominion Bridge Company was awarded the contract for the manufacture, delivery and erection of the steel superstructure. Work will begin soon and is expected to be completed within a year. It will require some 6,500 tons of steel.

Also in July, a contract was awarded Harold Quinlan Cut Stone Ltd. for stone for the facing of the hotel. The contract calls for the quarrying, cutting and delivery of 5?,000 cu. ft. of Queenston limestone. Delivery of the cut stone is to begin late in 1955.

The pouring of concrete to form 15 massive buttresses began Oct. 1. The concrete was poured into tunnels made in the sloping earth embankment along Mansfield St. These will measure about 40 ft. long, 4½ ft. thick and 25 ft. high.

Thirteen of these buttresses support the huge retaining wall along Mansfield St. as well as 26 steel columns, which in turn are designed to support a section of the 21-story-hotel structure. Two columns will be supported by each buttress, and the total vertical pressure on each buttress will be 5 million pounds. This work was completed in December.

The other two buttresses will be located along Belmont Street. They will support the west end of the Belmont St. bridge where a servicing thoroughfare will run to the hotel site. Work is progressing for completion in the near future.

**To Stand on Giant Pedestals**

The weight of the building will also be spread over 160 huge concrete pedestals now being poured at the Central Station site. The pedestals anchor the hotel to the natural limestone bedrock located about six ft. above the existing track level.

The steel columns average 287 ft. in length and each will carry a weight of 72 tons per sq. ft. at the point where they meet the pedestals. The pedestals are designed to distribute this weight over a greater area, so that the pressure at the base of the pedestals on the limestone rockbed is only 25 tons per sq. ft.

In early December, the elevator contract was awarded to the Otis Elevator Co. of Hamilton, Ont., and calls for eight passenger and four service elevators, a dumbwaiter, two freight units and two escalators. Installation of these units will be made later in accordance with the work schedule of the building.

The elevators are located at the intersection of the L-shaped bedroom wings. The passenger units will have a capacity of 20-persons each and will operate to all stories of the hotel. Two will also operate the concourse level of the station for direct connection with passenger trains in Central Station.

The four service elevators will be contained in a separate bank, and will be used by hotel personnel for the delivery of room service orders, linens and other hotel uses. One freight unit, for kitchen services, will connect from the station concourse level and the station restaurant, to the third floor of the new building where the sample rooms are located.

**Car by Elevator**

The other freight elevator is specially designed for modern hotel construction and conveniences. It will serve between the concourse level and the convention floor on the second story of the building. It is designed so that automobiles or other large units can be easily handled for display on the convention floor.

The two escalators will be installed between the lower level, which is one floor below Dorcester St. and the main lobby. Operating in each direction, they will serve motorists who will be able to use them to enter or leave the building via their automobiles. It also will be possible to go from the main floor level to the convention floor by escalator.

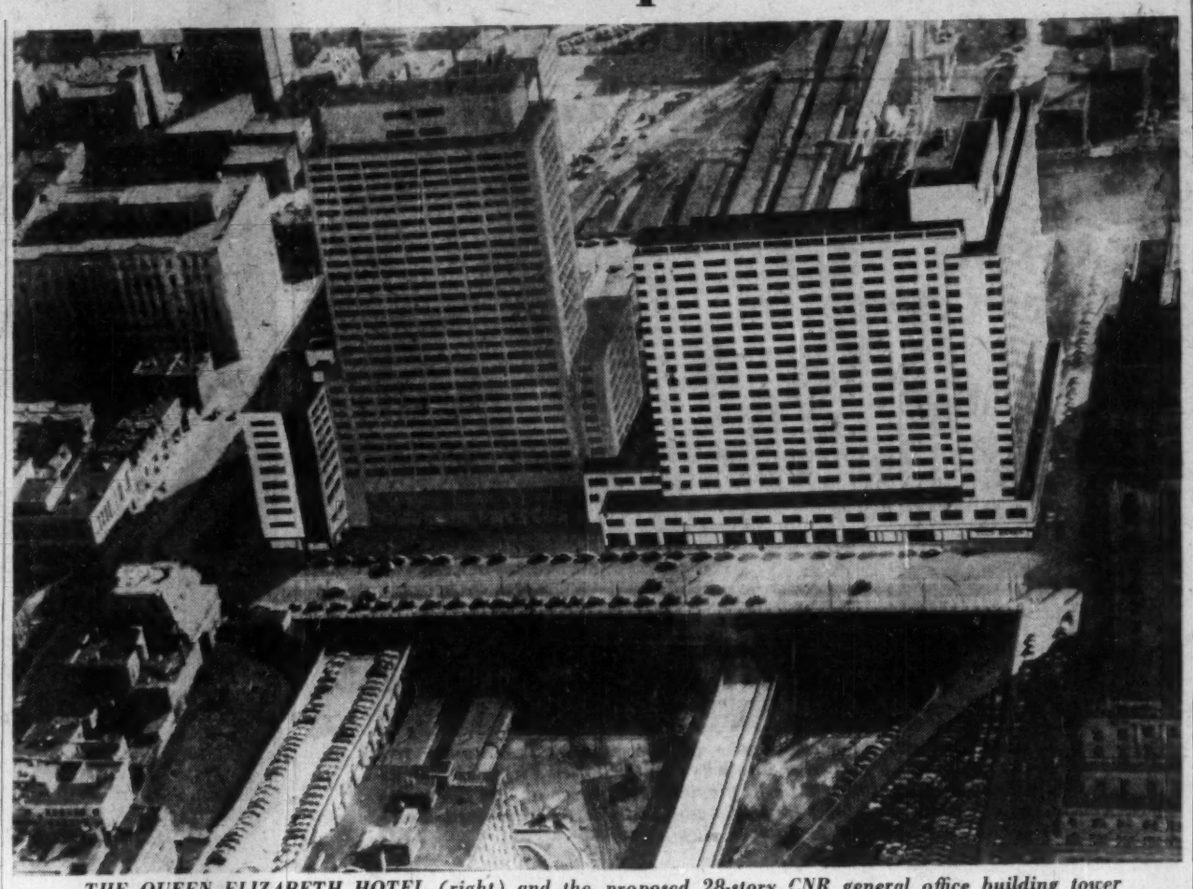
The dumbwaiter unit will serve between the food storage room and the main kitchen located on the Dorchester St. level of the building.

In November, an agreement was concluded under which the CNR's hotel will be managed by the Hilton Hotel group, the largest operators of hotels in the world. The announcement was made jointly by Donald Gordon, chairman and president of the CNR, and Conrad N. Hilton, president of the Hilton Hotels Corp.

The agreement will run for 15 years and will become operative when the hotel is ready for occupancy in 1957. The Hilton organization has obtained a Canadian company charter under the name of Hilton of Canada Ltd.

It followed several months of negotiations. The hotel remains in full ownership of the CNR. The agreement covers only its operation, based on a formula covering percentage division of profits after payments of all costs of operation.

The railway believes this will ensure a stable and high occupancy of the hotel and effects an operating association between the CNR and Hilton Hotels through which each hotel will favor the other to the benefit of both.



*THE QUEEN ELIZABETH HOTEL (right) and the proposed 28-story CNR general office building tower over Montreal's Central Station area. This Architect's drawing is superimposed on a photograph.*

The Hilton group is in a unique position to control and direct many kinds of business to CN hotels and CNR systems, particularly convention traffic.

Hilton has promised that character of service and other standards of operation and decor will be distinctive and representative of Montreal in particular and Canada in general. At least 95% of the operating staff will be recruited in Canada and, to the extent possible, will be drawn from the CN hotel organization.

In early November it was announced that Queen Elizabeth had granted permission for the new hotel to be called "The Queen Elizabeth."

The hotel is being built on the southeast corner of Dorchester and Mansfield Strs., over what is now the North plaza of Central Station. It will have public rooms capable of accommodating 2,500 persons at banquets and more than 4,000 at meetings. This will make the city one of the finest and most important convention centres in North America. Many conventions have had to be turned away from the city because of inadequate hotel space.

Tourist officials foresee an increased number of travelers and tourists because of the addition of these facilities and accommodations.

The hotel will contain upwards of 1,200 rooms and extend 350 ft. from Mansfield St. east along Dorchester and 300 ft. south on Mansfield. There will be 19 stories of guest rooms. A large proportion of guest accommodation will be furnished as "studio" type bed-sitting rooms and the balance as standard bedrooms and hotel suites.

The main dining room, men's grill, cocktail lounge and main lobby will be located on the main floor at Dorchester St. level. Other public rooms, exhibition rooms, and private dining rooms will be on the second floor.

**Phase in CNR Development**

There will be several entrances to the hotel. Guests may enter by elevators and escalators from the station concourse level, by entrances on the Dorchester St. and Mansfield St. and by the north from Cathcart St. under the plaza. The latter will be particularly convenient for guests arriving by car. They will be able to alight from cars within a few feet of an escalator to the main lobby, and have their cars taken to the adjacent hotel garage.

The new hotel will mark another milestone in the CNR's terminal development program in Montreal. The excavation for Central Station was dug in 1930 and 1931, but the economic depression halted operations. It was not until 1938 that tenders were called for construction of the station and 1943 that it was opened.

In 1946 work was started on the International Aviation Building which was officially opened in April, 1950. It was announced at that time that the over-all plans for the terminal area included a hotel and office building.

In this planning, traffic considerations have been carefully examined. Roadway improvements include the widening of McGill-College Ave. and the building of three islands on properties of the railway from Cathcart to Dorchester and Mansfield to East Street; from Dorchester to Lagauchetiere and from Mansfield to University; from Lagauchetiere to St. Antoine and from Inspector to University. A 500-car garage accommodation can be provided to serve the occupants of adjoining buildings.

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*(1) View showing work on a quarter section of the huge stator.*

*(2) Giant stator in transit to unit No. 3 seen in the background.*

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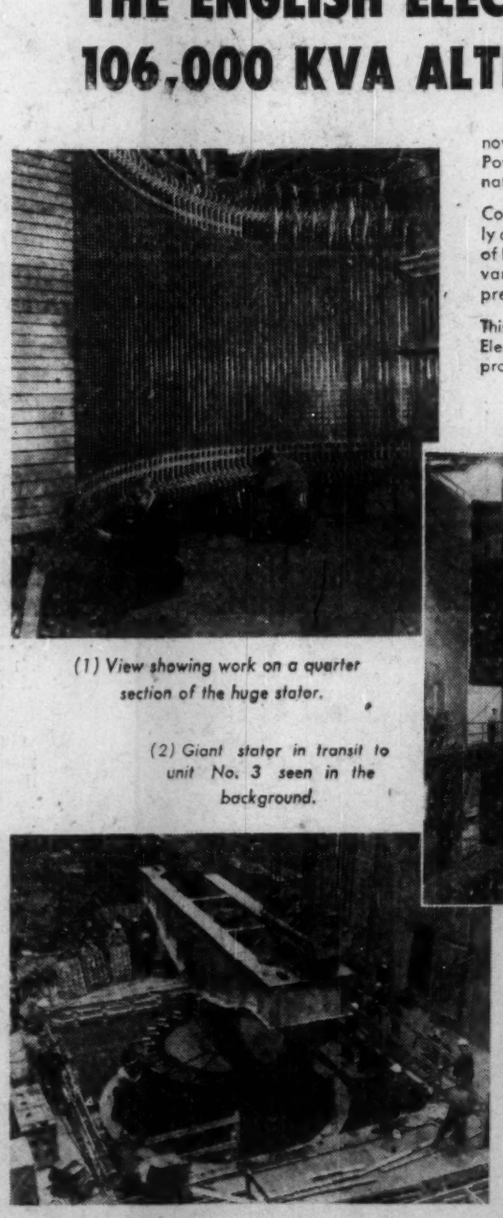
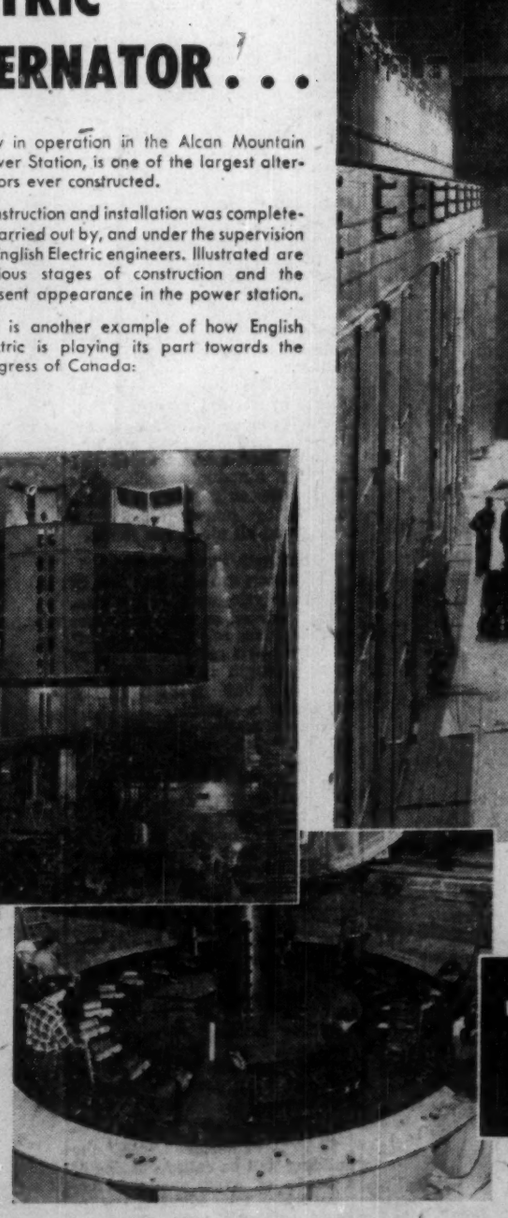
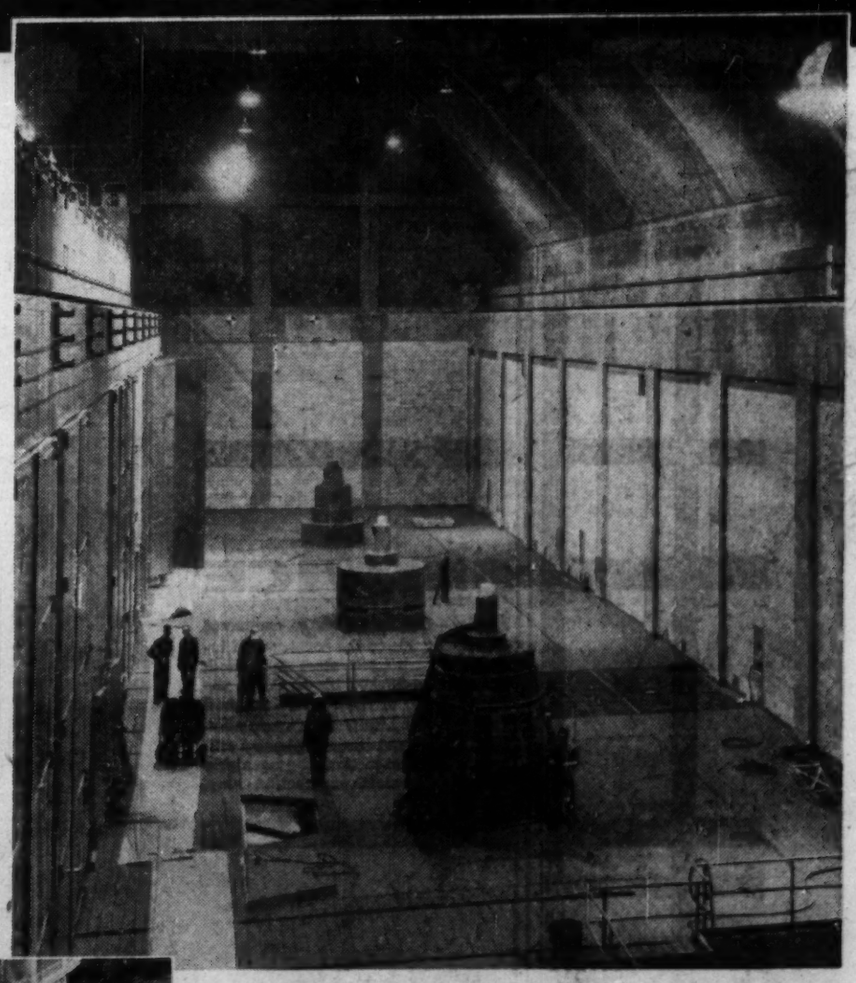


*(3) Lowering the Generator Rotor into the Stator of Unit No. 3.*



*(4) Close up view of Generator Rotor being threaded into position.*



*(5) View of Exciter floor showing English Electric unit No. 3 in the foreground.*

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# The Stores Are Trailing Customers To The Suburbs

## *A Big Retailing Movement Is Gathering Impetus*

In retailing, the move to the suburbs is on in earnest.

Last year saw the development of suburban shopping centres expanded with the opening, for example, of a $7.5 million wholesale-retail store in Burnaby, bordering Vanvouver, and the big Simpsons-Sears department store as the first unit of the $10-$20 million Greater Hamilton Shopping Centre on the outskirts of that city.

These were not, of course, the first to appear on the Canadian scene. Others, like the Norgate centre in Montreal and the Lawrence Plaza in North Toronto, were in operation before the end of 1953.

This year, however, promises to be the biggest yet for shopping centre openings including such projects as the $5-million Shoppers Park in Edmonton, development of the second phase of the Hamilton centre and the opening earlier this month of a supermarket as the first stage of a shopping centre in rapidly growing Don Mills, seven miles northeast of Toronto.

Here is a brief look at what is happening across Canada in this new corner of the merchandising field as business takes the store to the customer in a vigorous bid for their shopping dollar.

**VANCOUVER:** Simpsons-Sears Ltd. grabbed the spotlight in British Columbia's store-building in 1954 with completion of their $7.5 million wholesale-retail store in Burnaby.

The opening of the ultra-modern store on May 5 caused one of the biggest traffic jams in this area in history as an estimated 75,000 thronged the two-story building, to look, to buy while clerks rang up an unprecedented number of sales.

The store, part of a chain being built across the nation, has parking facilities for 1,500 cars, employs 800, and has a mail order office geared to handle 15,000 orders daily.

The store, a success from the first day, draws on half a million customers from Vancouver, Burnaby, nearby New Westminster and the Fraser Valley.

The store is located so it intercepts the out-of-town customer who formerly traveled through Burnaby to get to downtown Vancouver where parking is at a premium.

Only other major store construction in B. C. during 1954 was also by Simpsons-Sears, which opened a $650,000 outlet at Nanaimo with space for 150 cars. Plans are also under way for additional stores to be built. A $250,000 Safeway store has already been erected. Simpsons-Sears is reported planning a store for the Victoria area.

**EDMONTON:** In the $5-million Shoppers Park Westmount Ltd. shopping centre now under construction, Edmonton has one of the largest developments of this kind in Canada. Employing more than 750 persons in 45 stores, the centre will open for business Aug. 11. It is located in the city's rapidly growing west end.

The project will have a payroll of $2 millions a year. It expects to pay $80,000 a year to the city in property taxes, besides an estimated $60,000 a year in business tax.

Woodward Stores Ltd., a department store firm, will occupy half the shop space with a furniture and appliance store, a one-story supermarket and a two-story department store.

In addition, there will be 40 specialty shops operated by various concerns including S. S. Kresge Co.

This shopping centre, backed by a U. S. syndicate, occupies 30 acres of land, the equivalent of six city blocks. Most of the area will be a paved parking lot with space for 2,800 cars. The ratio is three square feet of parking space to one square foot of store space.

Last year, four of the smaller-type shopping centres were launched in Edmonton. One is a six-unit centre in Windsor Park area in South Edmonton's west end. Estimated cost is $60,000. This has not been finished.

**CALGARY:** While several areas have been set aside by city planning for shopping centres, only one was developed during 1954.

Located in the fast-growing southwest section of the city, this development, so far costing $300,000, will see its first eight units opening within a few days. Largest will be a Jenkins groceteria and the others will be occupied by a drug store, jewelry store, confectionery, barber shop, electrical appliance and repair shop and a cafe. A new service station is on the edge of the area and three more stores, a bank, medical clinic and theatre will complete the development.

The location is immediately southeast of the Gladmer Park low-rental housing development which holds 160 families and is on the edge of a district which has bounced from vacant prairie to a solid residential district in the past three years.

Still in the planning stages, but said by authoritative sources to hold the interest of prospective shopping centre builders, are areas in the Thornecliffe district in the northwestern outskirts of the city and in the Manchester district in the southeastern section.

**REGINA:** No integrated shopping centres were built in Regina in the past year nor is there anything corresponding to those of other cities. In its new subdivisions the city does set aside neighborhood shopping zones and exercises some control over building in these zones.

The first true shopping centre is an $800,000 development planned for this year by Nipawin Theatres Ltd. This centre will be built in the fast-growing southwest part of Regina and will include a service station, a theatre with 1,000 seats, five stores and a supermarket. Parking space will be provided for 100 cars or one space to about 450 square feet of store floor space. Total floor space of the buildings is about 61,000 square feet with the theatre taking 15,000 of this.

**WINNIPEG:** No shopping centres were built in Winnipeg in 1954, though two new ones are planned and in a degree partly projected. One was a $1-million project in the south end of the city for which plans were prepared by Arle Realty Co., a subsidiary of Aronovitch and Leipsic, Ltd., a local realty firm. There was no further news on this after announcement in the early summer of 1954 that the R. J. Speers Corporation had sold the 63-acre site of Polo Park and that 13 acres fronting on Portage Ave. had been sold to Simpsons-Sears Ltd.

The property was sold to a syndicate organized by David Slater Ltd., also a local realty firm, and at the time it was also announced from Toronto that Simpsons-Sears had bought the 13 acres fronting on Portage Ave.

However, no construction can start at Polo Park until late 1956 or early 1957 because of terms of the deal which give R. J. Speers the right to hold his race meets at Polo Park in 1955 and 1956. By end of 1956, he undertakes to demolish the stands and clubhouse and remove the barns early in 1957.

Tentative plans call for parking space for 600-700 cars.

Apart from shopping centres, Canada Safeway Ltd. is going ahead with its chain of supermarkets as it acquires suitable locations. In 1954 it built two, one in Winnipeg's suburban East Kildonan, the other in Brandon. These supermarkets are exclusively for Safeway which now has eight in Manitoba including the one in Brandon.

Cost is $200,000 to $250,000 each. Three are planned for 1955: in Winnipeg, Kenora and Fort William. Suitable sites are scarce since the stores require parking space, usually for 125 cars.

## Rent and Sales Go Together

***How efficiently do you use space in your retail store? Government sample survey figures show what average rental costs per sales dollar are for different classes and sizes of stores across Canada.***

***Average use is not necessarily the best use, of course. Some firms do much better than average. The average may reflect the failure of many merchants to plan their store layouts and merchandising methods as well as they could.***

***The relation of rent to sales is of special interest since more leases are being signed recently on a "percentage lease" basis—that is, the landlord gets a certain per cent of sales, normally with a minimum rental sum stipulated.***

***Only a minority of the leases covered by these Government figures would be percentage leases, but the figures throw light on the economics of choosing a percentage for a percentage lease.***

***Sales are in all cases "net sales," that is, sales minus value of returned goods. These figures, issued last year, are for 1952. Figures are all for independent, nonchain stores. Except where noted otherwise, they are for unincorporated stores.***

**Rent as % Of Net Sales By Amount Of Annual Sales**

| Kind of Store | $10,000 to $19,999 | $20,000 to $49,999 | $50,000 to $99,999 | $100,000 and over |
|---|---|---|---|---|
| Women's clothing | 5.35 | 4.33 | 3.43 | 2.75 |
| | | 6.27* | 4.40* | 3.13* |
| Men's clothing | 4.79 | 3.69 | 3.17 | 2.02 |
| | | 3.64* | 4.04* | 3.39* |
| Family clothing | 6.72 | 3.10 | 2.17 | 1.81 |
| | | 2.43* | 2.24* | 2.14* |
| Family shoe | 4.47 | 3.54 | 3.70 | 3.17 |
| | | | 3.20* | 3.30* |
| Hardware | 4.03 | 3.01 | 2.07 | 1.62 |
| | | 4.37* | 3.04* | 1.74* |
| Furniture | | 4.24* | 3.59* | 2.54* |
| Household appliance and radio | | 2.94 | 2.45 | 1.55 |
| Jewelry | 6.66 | 4.03 | 3.44 | 2.56 |
| | | 4.77* | 5.67* | 4.22* |
| General | | 1.09 | 1.18 | 0.70 |
| Restaurants | 5.10 | 3.64 | 3.01 | 2.79 |
| Tobacco | 3.32 | 2.69 | 2.01 | |
| Garages | 3.25 | 2.70 | 2.38 | 2.13 |
| Filling Stations | | 2.34 | 2.61 | 2.44 |
| Drug | 5.79 | 2.79 | 2.12 | 1.99 |
| | | 3.11* | 3.06* | 2.92* |

*Incorporated stores.

The Hudson's Bay Co. added to their facilities in Winnipeg last year by building a two-level, 400-car parkade at the immediate rear of the Portage Ave. store.

**HAMILTON:** A change in the construction design of the Greater Hamilton Shopping Centre is expected to reduce materially the original estimate of cost — $18 millions — but otherwise will leave unaltered plans that call for 40 to 50 stores in between the 200,000-sq.-ft. Simpsons-Sears department store which opened last Nov. 17 and the 37,000-sq.-ft. Dominion supermarket that will open in a few weeks.

The change will mean abandonment of the closed mall and the "indoor street" idea, it is understood. The plan was to cover avenues between facing rows of stores and eliminate front store walls, thus bringing merchandiser closer to strolling shoppers, and to air-condition the whole. The change will obviously reduce costs of the whole project but the extent of the saving has not been disclosed.

Two banks were slated to open this month in temporary quarters on the site with the Royal Bank of Canada operating a sub-branch and the Canadian Bank of Commerce a full branch.

A second department store is planned for the shopping centre near the western extremity of the 71-acre property.

**TORONTO:** The 20,000-sq.-ft. Dominion supermarket that opened Feb. 3 is the first unit of eight establishments to make up the Don Mills shopping centre. The others now being constructed will provide a drugstore, hardware, laundry and dry cleaning establishment, barber shop, beauty parlor, women's apparel store and bakery. A shopping goods section is planned for the future. The 40-acre site also contains three banks now operating in temporary quarters.

At the Victoria Park-Eglinton East intersection in northeast Toronto there are two shopping centres facing each other on opposite sides of the street. The first section established by Monarch Mortgage and Investment Ltd. includes a food market, brewers' retail store and more than a dozen other stores. The other, by Principal Investments Ltd., is a $3.5-million, 31-store centre. It is expected that when the area is full developed residentially, the centres will draw on a shopping population of 220,000.

The big Lawrence Plaza in North Toronto celebrated its first birthday last November after a promotion-filled successful year. Lessons learned in the first year: the more stores, the more sales; a food and department store are necessary; centres must be close to big residential areas because walk-in trade is large; promotion pays; good transportation is vital; a canopy may not be desirable in that while it protects customers, it also detracts from window displays.

A $4-million to $5-million centre is slated for Etobicoke in the western end of Metropolitan Toronto, designed to serve an area of 330,000 persons with a retail buying potential of $300 millions a year. Expected are two large food stores, a department store, a number of family shops, offices, bowling alleys and other facilities.

**MONTREAL:** Further additions to the Montreal area's growing list of bustling shopping centres were made during the past year.

Biggest development was the official opening of the Dorval Gardens Shopping Centre which is a 37-store giant serving a population of 100,000 people who live within 20 minutes' automobile drive of the centre.

It bestrides 22½ acres in Dorval and of this total area the gross building area amounts to 185,000 sq. ft. The owner is the Dorval Gardens Shopping Centre Inc.

Major tenants include Steinberg's Ltd. and Henry Morgan & Co. It has a wide variety of tenants including a bank and cigar, drug, toy, candy, pastry stores. There are also barber and beauty shops and a milk bar. Parking space provides for 2,250 cars at once.

Work was completed in 1954 on a new supermarket of Steinberg's in Montreal at Van Horne and Victoria Streets. It was opened in January, 1955, and is the first store in a shopping centre which will include 20 to 25 other stores.

Negotiations are under way to lease property in the site to stores which will include a barber shop, hardware, men's shop, children's ware shop, restaurant and beauty parlor. Construction is expected to begin in the spring.

The entire site area covers 191,000 sq. ft., of which the building area will cover 65,000 sq. ft. There will be 126,000 sq. ft. for parking. This would indicate a ratio of less than two to one in parking space to store space.

Another $1 million commercial centre was brought into operation during 1954 to serve the Lachine-Dixie district, in the city's west-end suburbs. It is known as the Dixie Shopping Centre and contains 18 stores. One major unit is Thrift Stores. Also included in the centre is a hardware store, a large restaurant, a jeweler, a florist, a pastry shop, a stationery shop and several dry goods stores. It was built by Grovedale Construction Co. in one of Montreal's fastest-growing suburbs.

In Jacques Cartier, plans are being made for a 10-story shopping centre in conjunction with a $3.5-million housing project. The housing units, which will comprise 375 to 400 homes, are scheduled to begin in the spring.

The project will be built by Harmony Homes Inc. A spokesman for the company said it has in mind a "corner grocery" kind of establishment.

At Greenfield Park, Montreal, plans were being prepared in December, 1954, for a $5 million shopping centre and housing development. The preliminary plans include construction of a 40-store shopping centre with 40 stores and housing development of about 500 units. The builder is George A. Fuller Co., New York.

In Beaconsfield, there are plans for a $3 million project which will include 150 new homes and a shopping centre.

The shopping centre will serve the housing development, which is expected to get under way this spring, and other developments in the fast-growing area. Sponsors of the project are Trend Realities Ltd., Pointe Claire.

It will be built south of the residential area and will include parking space for 500 cars, a department store, supermarket, a service station combined with an automobile showroom.

At St. Constant, south of Montreal, there is a $6-million project for 500 homes, of which two homes are completed. It is to include a small shopping centre and a large park.

Most of the large scale housing projects include plans for a shopping centre but often arrangements for tenants cannot be completed to go ahead with the program.

**ST. JOHNS:** Churchill Park, the newly annexed area which includes some of the city's finest homes, is the site of a new shopping area. A $120,000 Ayers Supermarket opened last year along with a delicatessen. Plans call for a new bank branch to be established on Rowan Street in the area.

In the Hamilton-Cornwall Avenue area, another new Ayers Supermarket has been opened along with new banks and a flower shop.


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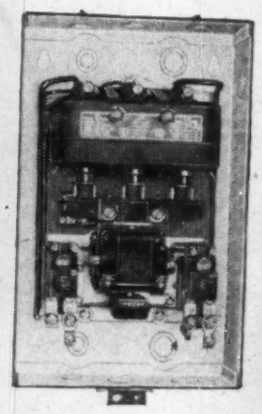

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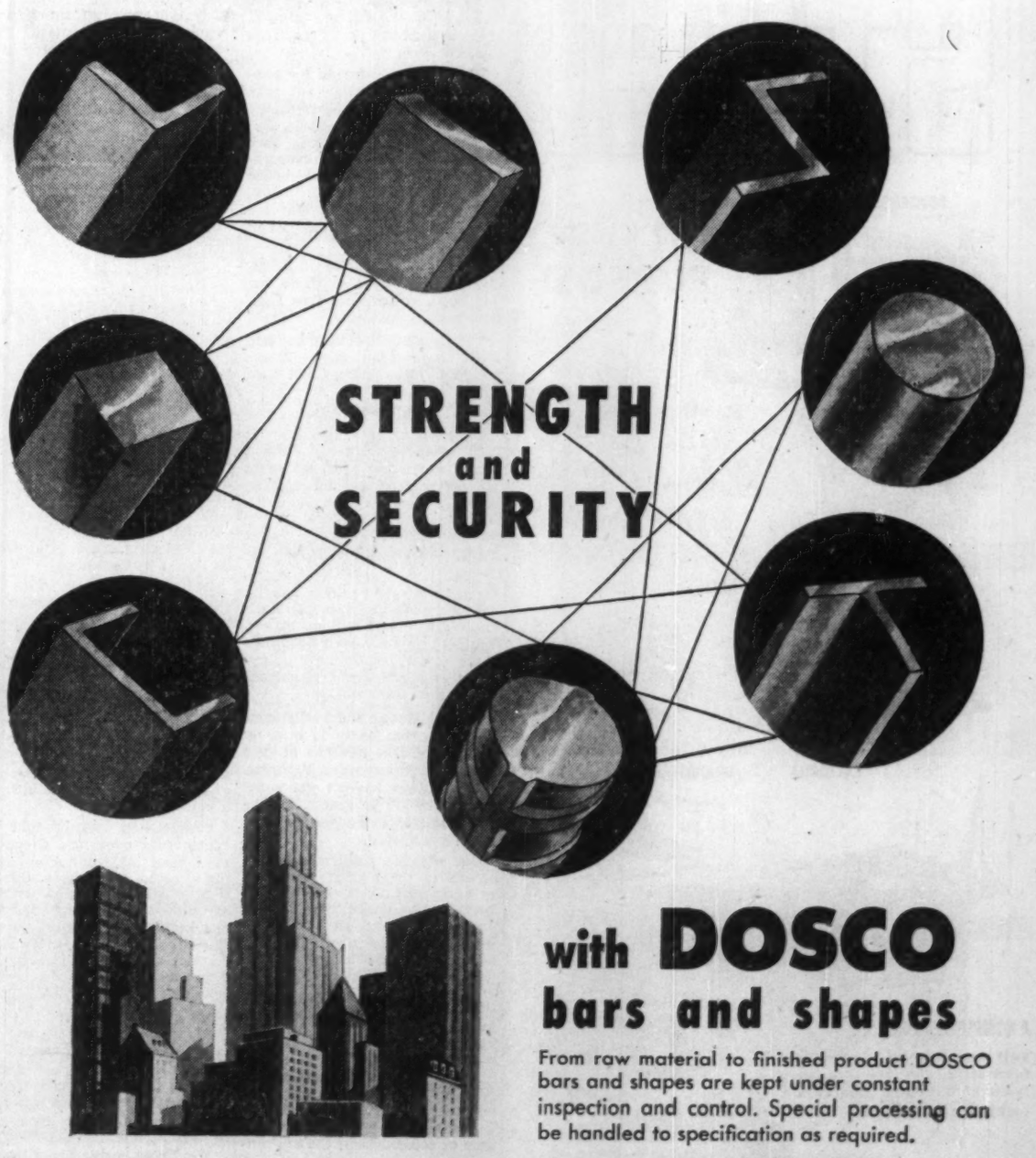


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# Building Industry Stocks as Investment Medium

## *Growth Record of Leaders And Factors Behind Them*

The high level of activity in the construction industry in 1954 and prospects of continuing good business in 1955 have encouraged particular strength in the stocks of construction and building materials concerns.

The average rise in price of 10 representative stocks connected with the building industry has been 58.7% since the end of 1953. Comparable rise in the indices of industrial stocks on the Toronto and Montreal Stock Exchanges has been 22% and 36%, respectively.

The 10 stocks studied are shown in an accompanying table. All 10 are selling close to their highs for the past five years.

In several instances, earnings on the common shares of these companies haven't shown a particularly large gain over the 1949 levels. But in most cases, the stocks are selling at prices at least double their 1949 lows, and one —Canada Cement—is seven and a half times its 1949 low.

What accounts for the big rise? There are undoubtedly a number of factors.

First, probably, is the rise in stock prices generally. Five years ago, the stock market was just starting to come out of a rather stagnant and depressed condition that had persisted since the drop in 1946. It rose with little interruption until late 1951, turned back down again until September and October of 1953 and since that time has been climbing once more.

A second factor has been the ability of the Canadian economy to continue to grow beyond levels already considered high five years ago. The large capital expenditures made to expand and modernize industrial and public utility facilities, to build roads, schools, homes, and so on, have supplied the stimulus for this growth, and kept the construction and building materials companies busy in the process.

A third factor has been the increase in dividends paid. As business grew, the companies' financial positions improved, and they found themselves able to pay out a larger part of their earnings to shareholders.

Here is a comparison of the present indicated dividend rate compared with payments in 1949 (stock splits taken into account):

| | Dividends per share Now $ | 1949 $ |
|---|---|---|
| Building Products | 1.80 | 1.60 |
| Canada Cement | 4.00 | nil |
| Cdn. Dredge & Dock | 0.50 | 0.17½ |
| Dom. Tar & Chemical | 0.40 | 0.25 |
| Foundation Co. of Can. | 0.70 | 0.47½ |
| Gypsum, Lime & Alab. | 2.40 | 1.25 |
| Imperial Varnish | 1.20 | 1.10 |
| Milton Brick | 0.20 | nil |
| Sherwin-Williams | 2.05 | 1.60 |
| Standard Paving | 1.50 | 1.00 |

The growth of dividend payments in the case of Canada Cement has had a good deal to do with the rise in the price of that company's common stock, undoubtedly. The bigger increase in dividends certainly has been important in the greater rise in Sherwin-Williams common compared with that of Imperial Varnish. Earnings of Dominion Tar & Chemical and Building Products are actually lower than in 1949, but higher dividends have helped raise the price of their common stocks well above their 1949 lows.

Greater investor confidence in the ability of companies serving the building industry to maintain a good level of operation has also helped this group. Traditionally, construction has been a boom and bust field. Because stock buyers could see a continuing demand for some time ahead, they were more willing to pay prices which took into account the earnings and dividends of which these firms were capable.

The yields on some of the stocks have dropped to relatively low levels as a result of the price climb. Canada Cement's is the lowest of the 10—2.67%. Special factors here are the forthcoming split of the stock and the expectation that the demand for cement will continue strong because of the housing boom, the construction of the St. Lawrence Seaway, and other projects.

Another traditional "Seaway" stock, Canadian Dredge & Dock, has also benefitted from the start of the great project. The yield on this one is the second lowest

The highest yield is on Milton Brick, which has gradually increased its earnings, aided by the modernization and expansion of facilities and the big housing demand.

The relationship of prices to earnings can't be shown too accurately because in several cases, latest earnings figures are for 1953 or fiscal years which cover mainly 1953.

Highest priced stock in relation to latest available earnings is Dominion Tar & Chemical. This undoubtedly reflects to some extent the proportion of earnings being paid out in dividends (two thirds vs. one half or less for most of the others).

The two paint companies show two of the three lowest prices in relation to earnings.

Using 12 times earnings as a yardstick for "normal" pricing, six of the 10 are selling above this level, and four below

For the future, an encouraging factor for the construction and building materials stocks is the evidence that capital expenditures in 1955 should be about as good as last year. Companies are finding that their modernization programs are paying off in increased efficiency, and many are spending more money in the hope of producing still better results.

The residential construction picture looks favorable, with the number of housing units likely to run close to the record 1954 level.

Against this, construction people report business is very competitive and profit margins narrowing. This may take some of the steam out of any further big advance in prices of these stocks. The relatively conservative dividend payout, even after the increases that provide a useful cushion in case earnings decline, nov ever.

THE RECORD OF THE BUILDING STOCKS

| | 1949-54 High $ | 1949-54 Low $ | 1955 High $ | 1955 Low $ | Recent $ | Price change since Dec. 31/53 % | Earnings per Share 1953 $ | Earnings per Share 1949 $ | Current Indicated Dividend $ | Indicated Yield % | Price—Times Latest Fiscal Year Earnings |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Building Products | 47½ | 27 | 46½ | 42½ | 43½ | +22.3 | 3.28 | 3.34 | 1.80 | 4.14 | 13.3 |
| Canada Cement | 145 | 20¼ | 152 | 143 | 150 | +68.1 | *8.55 | 5.86 | 4.00 | 2.67 | 17.5 |
| Cdn. Dredge & Dock | 18½ | 4½ | 17⅞ | 15½ | 17½ | +34.6 | *1.08 | 0.84 | 0.50 | 2.86 | *16.2 |
| Dom. Tar & Chemical | 12⅝ | 5 | 11 | 9½ | 10¾ | +45.8 | 0.60 | 0.85 | 0.40 | 3.72 | 17.9 |
| Foundation Co. of Can. | 21⅞ | 6 | 23¾ | 17⅞ | 21½ | +63.8 | 1.63 | 1.33 | 0.70 | 3.26 | 13.2 |
| Gypsum, Lime & Al. | 55¾ | 14 | 56 | 52¼ | 54¼ | +66.9 | 3.67 | 3.16 | 2.40 | 4.42 | 14.8 |
| Imperial Varnish | 23 | 13½ | 23½ | 20 | 23 | +4.5 | †2.39 | 2.03 | 1.20 | 5.22 | 9.6 |
| Milton Brick | 3.15 | 0.95 | 3.35 | 3.00 | 3.30 | +144.4 | 0.31 | 0.11 | 0.20 | 6.06 | 10.6 |
| Sherwin-Williams | 50 | 15 | 48½ | 45 | 45 | +80.0 | †5.25 | 3.32 | 2.05 | 4.56 | 8.6 |
| Standard Paving | 27½ | 7 | 29¾ | 26 | 27¼ | +36.0 | 3.08 | 2.36 | 1.50 | 5.13 | 9.5 |

*For year ended Nov. 30/54.
*For 16 months ended Apr. 30/54.
†For year ended Aug. 31/54.


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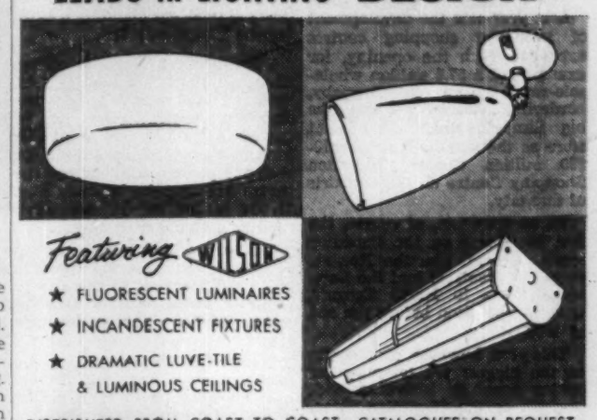

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## Construction's Bright Outlook

(Continued from page 37)

ever falls sharply below mortgage money supply.)

### Repair and Maintenance

Repair and maintenance is an important factor in total volume now: about $960 millions last year. The new bank loans under NHA for home improvement should boost the $225 million residential spending for repair and maintenance, as well as helping capital spending on home improvement. Some other kinds of repair, for example, industrial, have been going down steadily.

School building totaled $150 millions last year, and no substantial decline seems likely. Last year's spending was an increase of about 15% over the year before.

Defense construction contract awards in 1955 are expected to be at least at the recent level of $100 millions a year if not higher. About $75 millions work has still to be done under existing contracts.

It is expected all building contracts on the Camp Gagetown project will have been awarded by this spring. Total cost of the project will be about $45 millions. About 4,000 men will be employed at the peak of this year's construction.

History will be made for construction achievements not only for Canada but for the world by the chains of warning stations to be built across the Arctic. Two Canadian construction corporations have already been awarded prime contracts for the U. S. Government's Distant Early Warning line, in the northernmost part of the Arctic.

Canada will undertake the mid-Canada line to the south of that and north of the Pine Tree Line, now near completion.

They will be tractor-train and giant air-lift propositions. Roads and rails just don't go that way.

### Public Works

It is planned to spend about $100 millions more on Federal public works this year, taking in all government accounts in the broadest sense. This includes an advance of $50 millions to the Seaway Authority and money loaned to Atomic Energy Ltd.

The Department of Public Works may spend as much as $30 millions more this year. Its estimates are only $5 millions higher, but last year's involved a $25-million shortfall; something it's planned to try and avoid in current and future estimates.

Road, highway and bridge construction seem likely to hold up well, were $564 millions of new and maintenance work last year.

Legislatures haven't yet voted most highways programs. In Ontario, though, the budget for highways is a record.

Gas pipeline construction may be one of the biggest items this year. It isn't clear whether the giant trans-Canada line can be financed in time to start this year. But it will involve about $500 millions of work and materials over the first couple of years. The line to the west coast should get started, involve $140 millions or so over the next couple of years. The gas gathering lines in Alberta will be a big job.

There won't be any really major oil pipelines this year, but there will be more to come in the future. Oil refineries will be down in volume of construction; the $28-million Petrofina refinery at Montreal, moving to fall completion will be the biggest effort.

### St. Lawrence Project

The Seaway and Power Project will be well under way in the central St. Lawrence Valley this year. The combined projects may have 5,000 men on their payrolls by midsummer, a start toward a 16,000-man peak expected in 1956-57.

Ontario Hydro has awarded its generators contract at $13.6 millions, the largest power job so far. Bids for the powerhouse will be called soon. Crews are well into second stages of cofferdamming, and an access tunnel under the present ship canal will be ready by spring. Work should begin on the main dam this summer. Engineers are surveying adjacent land as sites for a channel and dyke.

In conjunction with the power project, the CNR must start the $16-million relocation of its Toronto-Montreal main line this spring, so it will not hold up St. Lawrence Development work in 1956-57.

So far only one major Seaway contract has been awarded: the excavation and construction of the Iroquois Canal which will start this spring. Other major contracts will be awarded soon, most of them to mean work starts this year.

There will be little demand on cement supplies this year. The power project will need some in the fall.

British Columbia is preparing for more heavy construction. Northwest Power Industries has posted the $2.5-million bond with the Provincial Government under which it is to start work this summer on the metallurgical-power project in Northwest B. C. and the Yukon. The first stage will cost $270 millions. The project may eventually develop about twice the power potential of the St. Lawrence Seaway. Several other big projects are planned or under way.

B. C.'s large Pacific Great Eastern expansion program is just one part of a revival of railroad building in Canada.

With the growth of both civilian and defense aviation across Canada, a large program of airdrome construction lies ahead.

Outside firms from the U. S. and Britain, are still interested in Canada. Another couple of large contracting firms have been bought by British interests recently. A British company last year bought a western gypsum manufacturer.

The newcomers are sharpening up their pencils for Seaway bids and work elsewhere too. Those who have been here a couple of years now have been building up a volume of work.

Competition has brought the controversy over "bid shopping" to a head. Subcontractors complain their lowest competitive bid is often privately undercut; they say this demoralizes the industry and that quality of work suffers. The Canadian Construction Association investigated, adopted a new code of good practice. Industry leaders are working out its application.

### 'Nuisance' Taxes

A situation the cost-conscious industry is increasingly concerned about is the "nuisance" sales tax remaining on a few items used in construction.

Work that is going on quietly is the spread of the new National Building Code into general use by municipalities.

Not only quantity but quality and economy of construction have been improving.

New products and technical advances have been continuing, perhaps at a somewhat accelerated rate.

Two companies are producing foamed, lightweight concretes introduced from Sweden, that can be sawn and nailed.

Porcelain on steel as a building exterior is being more widely used, with the outlook for greater production of this product.

A patented brick that cuts house construction costs by use of one "through-the-wall" unit in place of brick plus back-up is now being produced in Ontario as well as the Maritimes, Quebec and Alberta.

Use of factory-made panels as standard parts for houses and schools took a big stride forward as an Alberta firm last summer began mass producing a product developed by Canada's biggest lumber manufacturer.

Prestressed concrete is making rapid advances, and Canadians may lead North America in this field. The longest prestressed bridge in Canada is to be built in Alberta.

Structural steel is advancing too. Welding is becoming more common—the Ontario Hydro last year finished a large all-welded building.

A Montreal firm plans to offer mass produced warehouse buildings made of reinforced plastic panels on glue-laminated framing.


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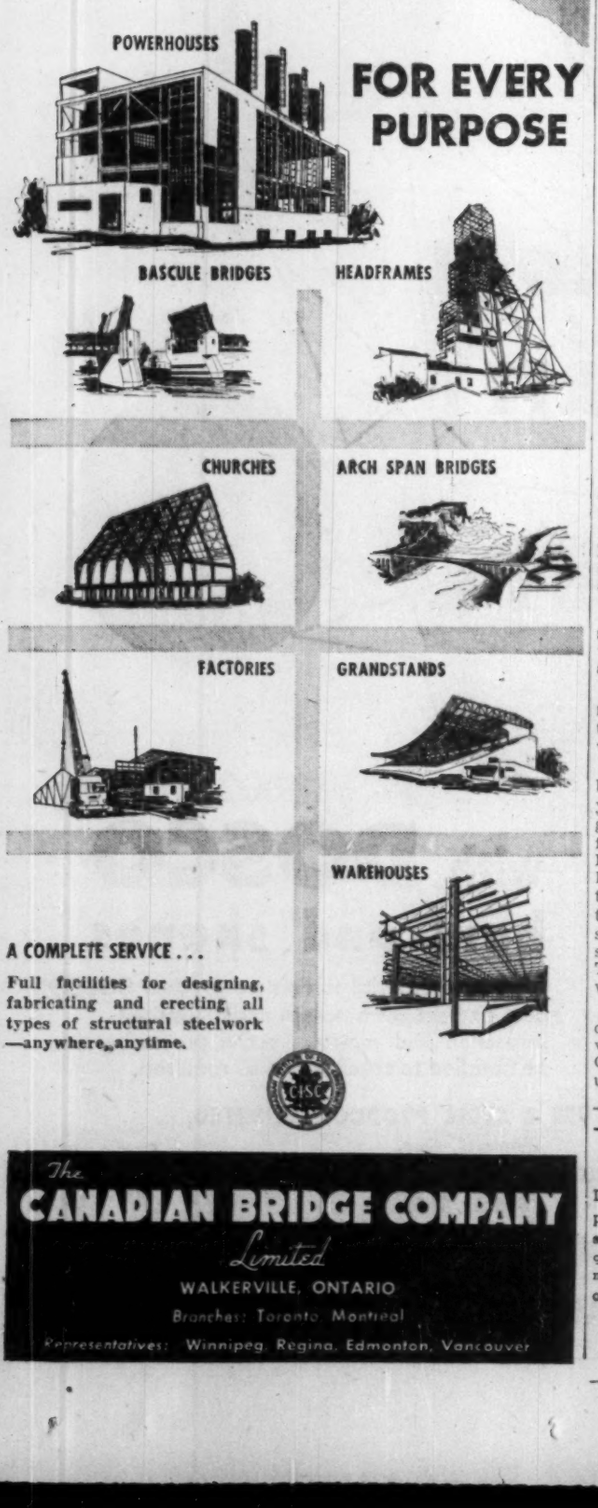


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# Canada's Boom in Office Buildings

(Continued from page 37)

trators of the new structure will be Maxwell Cummings & Sons, Montreal. Rental space is expected to be up to $4.75 per sq. ft.

Plans for the biggest dollar expenditure have been outlined for a unique $23-million hotel office building at the Montreal baseball park. Construction is expected to begin in the spring, with the completion probably three and a half years away.

A 223,000-sq.-ft. lot was acquired from the Gentlemen of St. Sulpice for about $1 million and it has been used as a parking area for patrons of the nearby Montreal Forum, owned by Canadian Arena Co. It is understood that negotiations have been under way with the Forum on the possibility of joining the two buildings with an underground passage for cars.

A syndicate of U. K. and Canadian interests, headed by D. H. Cox, London, has purchased the Atwater Baseball Park from Alexis Nihon, Montreal real estate and glass manufacturing executive, for more than $4 millions.

The structure will be of modern design completely air conditioned, with the latest electronic devices used throughout. There has also been consideration given to the possibility of establishing a downtown helicopter port on the building.

The tallest building now envisioned is a 19-story structure of limestone and granite being erected at 550 Sherbrooke St. West for May, 1955, occupancy. It is planned to feature the first continuous windows in the city, with 400 ft. of special heat-absorbing glass on every floor.

### Vancouver

Biggest single office building job during 1954 was the $10-million post office in Vancouver's $45,285,787 worth of building permits issued during the year.

Work on the huge building, which will have a helicopter airfield on its roof, is going ahead.

Tenders have been called for demolition of a square city block in the heart of downtown Vancouver and a 19-story skyscraper will be built by Utah Construction Co., together with its Canadian Associates.

"The project is further evidence of the confidence being expressed by American capital in Vancouver's development," a Utah spokesman said recently.

The $7-million building is the first skyscraper to be built in Vancouver since the start of the last war. The first two floors will cover the city block and a 17-story tower will rise over the city's skyline.

Several medical-dental clinics were built in Vancouver during the past year, and a $450,000 office building, catering to the legal profession only, will be built this year.

There appears to be no real shortage of office space in the city, caused in the main by the increased tendency of many concerns to erect small office buildings away from the downtown centres.

### Winnipeg

No office buildings for multiple tenancy were built in Winnipeg, or in Manitoba, in 1954.

In fact very little new office space has been provided in Winnipeg since the Power Building was built in Winnipeg in 1928 and 1929. There was, of course, the Federal Building in the 1930's, but only for government departments.

More recently there has been the Bank of Toronto building completed two years ago whose rentable accommodation is nearly all occupied by tenants requiring large space, Monarch Life Insurance Co. and the Cunard Steamship Co., to mention two.

A building of the Royal Bank of Canada at Portage Ave and Edmonton St., completed since the Bank of Toronto, has two floors for tenants, all occupied. This isn't a large building.

Well-located office space is not plentiful nor can it be said there is a shortage. At the moment it is pretty well in balance notwithstanding the $3,000,000 fire last June 8 which burned the Time Building. Most of its 70 tenants have relocated, the professional lessees in central locations and many of the small manufacturing concerns (mostly furriers and small-scale garment manufacturers) on side streets.

Rent trends are toward an increase. Present average is about $2.75 a foot, this for space above first and second floors. Some buildings on Portage are asking $3 as soon as leases expire and getting it.

As for new office buildings promoters of new projects under consideration are afraid high construction costs may force them to charge more than they can get under present conditions.

For example, the owners of the Dismoor Building at Portage and Hargrave, also destroyed in the June 8 fire, announced they intended to build a new modern seven-story structure. They are now hesitating about it because they may have to charge as high as $4 a foot.

Office space in the proposed new Merchandise Mart is being offered at $3 a foot.

Ground floor space on main thoroughfares is more, at least $7 a foot and in some cases more.

### Edmonton

Two of the major office buildings completed in 1954 were the six-story Royal Trust building, erected at a cost of approximately $800,000, and the main branch of the Imperial Bank of Canada, seven stories. The cost of the latter, including the main floor section which had been opened earlier, was in the neighborhood of $1 million.

The average rental rate for office space in Edmonton ranges from $3.25 to $4 a square foot. There is no shortage of office space.

Some of the new blocks still have vacant offices but these are expected to be filled up when leases run out in older structures.

Owners of blocks say that rental rates are stable and no change is expected for the balance of this year.

The situation may be affected in 1956 when the new $6-million Federal office building is completed. This is a 10-story structure, on which steel work is about to begin. The transfer of federal departments from other premises in the city to be concentrated in the new building is expected to have a bearing on the office space situation, so far as private block owners are concerned.

### Victoria

No general office buildings have been built in Victoria for decades.

Particular firms have built units for themselves or added a room here and there, but the last general office building built here was the Scollard Building "decades ago."

As a result rents are very stable at the present time. Businessmen in Victoria would welcome new space, they say.

Under construction now is a six-story B. C. Electric Co. office building, costing an estimated $1,126,000. There will be no offices for rent to other firms.

Plans were filed early this year for construction of a medical-dental building costing an estimated $468,280. Completion of that building will free offices that doctors now occupy in downtown buildings.

### Fredericton

The Provincial Government built a three-story reinforced concrete records building in Fredericton. Size: 12,000 sq. ft. of floor space. Cost: $70,000.

Private interests have planned a large office building for Moncton, but details are very vague so far.

Rent per square foot in Fredericton and Moncton averages from $1.75 to $2 for fire-resistant buildings. In some individual cases it is lower.

Average office rents in Fredericton and Moncton are on the upswing. Plenty of office space is available in Fredericton. There's not plenty in Moncton, but there's no great shortage either.

### St. John's

On Water Street, the city's main stem and one of the oldest business streets in North America, some of the provincial capital's long-established firms have been renovating and remodeling premises.

A good indicator that business is booming in St. John's can be found in the fact that business rental values per square foot have more than doubled in the past five years.

Five years ago in the mercantile area of St. John's rents were $1 to $1.50 sq. ft. Today rents are up to $3.75 and $4 sq. ft. in some cases.

General Manager H. T. Renouf of the Newfoundland Board of Trade says that part of the reason is new businesses, with a consequent demand for more office space—plus the high cost of construction for new office buildings.

Construction costs here, as elsewhere in Canada, have increased considerably.

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## COMPANY REPORTS

**BEAUBRAN CORP.**, Charlottetown, P.E.I., net profit for 1954 was $418,473, 11.9% higher than net for 1953 of $373,892.

Capitalization of the company was altered for simplification from 25,000 Class A shares, 17,500 Class B shares and 12,500 Class A shares to one million ordinary and 10,000 management shares (all shares $1 par), of which 492,250 ordinary and all the management shares were outstanding at the year-end.

The company intends to qualify, in and after 1954, for the federal tax exemption granted to investment companies, says President Gerald G. Ryan. Thus the individual 20% tax credit allowed on dividends of Canadian tax-paying corporations cannot be claimed by shareholders of the company after 1953.

Beginning in 1955, company's fiscal year will end on Sept. 30, and dividend payments will be made March 15 and Sept. 15 this year.

At the year-end the estimated or market value of company's portfolio exceeded cost by $2,507,000.

INCOME ACCOUNT

| Years Ended Dec. 31: | 1954 | 1953 |
|---|---|---|
| Total income | $467,611 | $457,028 |
| Less: Admin. exp. | 35,567 | 36,100 |
| Inc. tax. res. | 156 | 33,661 |
| Other exp. | 13,475 | 13,375 |
| Net profit | 418,473 | 373,892 |
| Less: Dividends | 492,200 | 396,270 |
| Surplus for year | *73,727 | *22,378 |

*Deficit.

| Earnings per Share and Dividend Record: | | |
|---|---|---|
| Ordinary: Earn. | $0.85 | .... |
| Paid | 0.20 | .... |
| Manag.: Earned | nil | .... |
| None paid. | | |
| Cl. A & B: Earn.† | .... | $18.87 |
| Paid | 20.00 | 20.00 |
| Cl. C: Earned | nil | nil |
| None paid. | | |

†Based on number of shares outstanding as calculated from dividends paid.

CONDENSED BALANCE SHEET

| As at Dec. 31: | 1954 | 1953 |
|---|---|---|
| Cash | $2,353 | $3,639 |
| Deposits | 183,897 | 426,385 |
| Accts., etc., rec. | 65,140 | 60,976 |
| Total curr. assets | 252,220 | 491,000 |
| Invests* | 13,286,395 | 10,747,933 |
| Organ. exp. | ..... | 1,801 |
| Deferred exp. | ..... | 5,000 |
| Total assets | 13,538,615 | 11,245,734 |
| Inc. tax | 48 | 15,857 |
| Guar. deposits | 100,000 | 62,000 |
| Accts. pay. | 9,648 | 17,457 |
| Total curr. liabs. | 109,696 | 95,314 |
| Capital stock | 502,250 | 32,174 |
| Capital surplus | 12,837,148 | 10,949,547 |
| Earned surplus | 89,521 | 168,699 |
| Working capital | 142,524 | 395,686 |

*At market or estimated value.

**MONTREAL TRUST CO.** net profit for 1954 was $704,248, $159,905 higher than net for 1953.

On April 15, shareholders will receive a quarterly dividend of 25c per share plus an extra of 20c in respect of the 1954 operations, said President O. B. Thornton at the annual meeting.

In forecasting regular dividends at the rate of $1 per share instead of 80c, Mr. Thornton noted that financial institutions operated under very favorable circumstances in 1954, with active markets and rising prices for securities. He said it might not be possible to maintain future earnings at the high level recorded last year, but indications are 1955 will be a satisfactory year. He was optimistic regarding the long-term outlook.

Value of the company's capital stock was established at $23 per share, an increase of $2 over last year's valuation. On the basis of the increased price, the regular $1 dividend will yield 4.35%.

New directors elected were the Hon. Brooke Claxton, P.C., Q.C., vice-president and general manager for Canada of the Metropolitan Life Insurance Co., and D. E. Kerlin, general manager of Montreal Trust Co.


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## *How Railways Are Meeting Industry's New Challenge*

Canada's two big transcontinental railways will cut 14 to 16 hours from the Montreal-to-Vancouver run by use of recently completed all new transportation equipment.

Faster service plus extra trains are the latest inducements of the Canadian railways to bolster passenger operations. Coincident with the speed-up in rail transportation will be a gradually increasing program of rehabilitation work and railroad construction.

Railroad construction recently completed or now under way totals more than $285 millions, adding 1,197 new miles of track to the country's rail network. All this is despite an expected drop in 1954 in gross revenues of over $100 millions.

Nearly all the postwar Canadian railroad construction has been to link isolated communities or new natural resources discoveries with main traffic arteries. Some locations, such as Lynn Lake in Northern Manitoba, can only be made accessible by rail. The only other heavy-duty transportation facility to Lynn Lake, for instance, is by tractor-sleigh over the frozen rivers and muskeg.

**Industrial Links**

Most of Canadian Pacific's expansion since the war has been in building relatively short industrial spur lines. Last major project was joining Osoyos, B.C., with the transcontinental link in 1945. Other construction has cost just over $6 millions and has included a 13-mile line to Cordel, Alta., to serve the Alberta Coal Co. and a 16-mile link to the U. S.-owned nepheline deposits at Nephton, Ont.

Currently under construction is a $3.3-million line into the Geco Mine, Lake Manitouwadge area, where an important new base metal mining operation is now developing. Also under way is a short track into Shell Oil's sulphur plant at Jumping Pound, Alta.

Canadian National has done the lion's share of new track building, with a total of nearly 600 miles completed or under way. Largest finished project was the 155-mile line into Lynn Lake, to bring out the base metal ores from Sherritt-Gordon Mines. The line, built through extremely difficult territory, was completed in record time of 32 months.

The $10-million, 43-mile line to Alcan's Kitimat project, runs through some 2.5 billion ft. of virgin timber. It will be completed early in 1955.

In 1949, CNR finished a 40-mile track into the rich pulpwood area around Kiask Falls, Que. Relocation of CNR lines for the soon-to-be-completed Canso Causeway will cost nearly $3 millions, including the erection of new stations at Havre Boucher and Aulds Cove.

CNR will compete with CPR for traffic from the Geco Mine area in Northern Ontario. The Government-owned system is now building a 27-mile track into the region from Hillsport.

Most important current CNR project is the 290-mile line into the Chibougamau mining area. Estimated to cost $35 millions, the line starts from Beattyville, Que., with an extension to St. Felicien planned later.

Most dramatic postwar railroad construction project has been the building of the 360-mile line through Ungava wilderness from Seven Islands to the Iron Ore Co. of Canada deposits at Knob Lake. Some 17 bridges totaling 4,180 ft. had to be built and 15 million cu. yds. of earth and rock were blasted out of the way. Seven trains a day now run over the new line during an operating season of 180 days a year.

While 80 miles of the Pacific Great Eastern extension northward have been completed since the war, another 105 miles are now planned in both directions.

Canada today has 43,000 miles of railway track, owned by 24 railroads.


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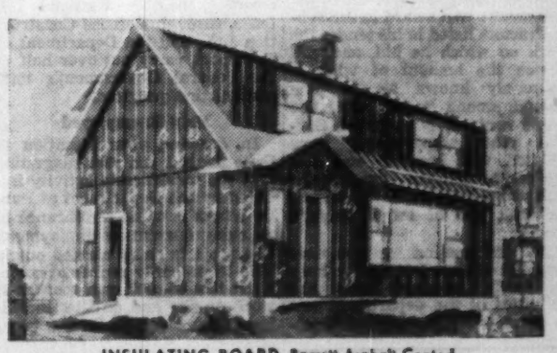

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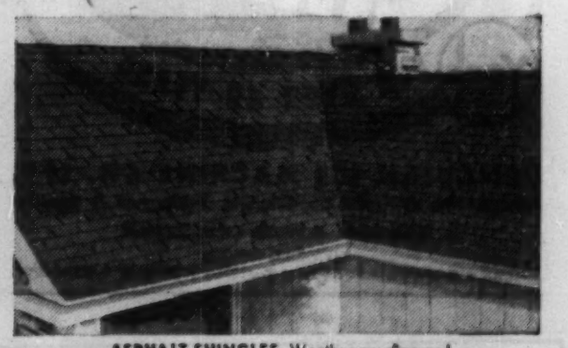

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# Public Works Keep Up With Changes

## *Some Whys And Wherefores Behind Government Projects*

***The Department of Public Works in Canada is reorganizing for efficiency, keeping pace with experience and new developments. Its functions are broad and manifold. This fiscal year it will spend $100 millions.***

***How does it work? What is its impact on public economy? Maj-Gen. H. A. Young, who became deputy minister last year, serves under a new minister, Hon. Robert H. Winters, reviewed the department's functions, aims, attitude in a recent address to Canadian Construction Association. Here is the text:***

By H. A. YOUNG

The main functions of the Department of Public Works in Canada at the present time would fall under the following broad categories:

—The construction, repair and maintenance of all federal buildings in Canada.

—The operation of buildings and properties owned or leased by the department.

—Improvements to harbors, the construction or maintenance of wharves, breakwaters and protection works, and the dredging of navigation channels.

—Federal share of responsibility for interprovincial and international bridges.

—The administration of the federal share in the Trans-Canada Highway.

—The laboratories testing the quality of products used directly by the department, or by contractors on behalf of the department.

In very summary form that is what the Department of Public Works is now held responsible for by the Federal Government and by the people of Canada.

To perform the required functions we are establishing an organization which, we feel, will ultimately be better designed for the jobs that have to be carried out. From time to time we have been making adjustments in order to take advantage of the lessons of experience and to keep up-to-date with new developments and changing needs.

And we shall, of course, continue to make further alterations as they appear necessary. Four operational branches have now been set up to deal with the main construction and maintenance responsibilities, and there are, in addition, the administrative divisions. One of the principal reasons which led us to adopt this and other measures of decentralization is the need to relieve our engineers and architects of much of the routine and operational activity so that they may concentrate more fully on planning and design.

### How It Operates

The construction of public buildings comes under the Building Construction Branch, with the chief architect in charge. The the Branch examines the need for buildings suggested by other government departments, by local members of Parliament and by private groups.

The question of the availability of lands for sites is investigated, the plans for the structures drawn up, and the cost estimates made. The actual designing may be carried out in this branch itself or it may be contracted to a private firm, depending upon the work load and upon the special circumstances of each project, e.g., large buildings are usually designed by architectural firms in the locality concerned. The immediate responsibility for the work in the various parts of the country falls under the 11 district architects.

The Property and Building Management Branch has been formed to deal with the operation and maintenance of Government-owned and rented buildings. This formerly came under the Chief Architect, but it was considered that it did not leave him sufficient time to cope with the increased load of designing and scheduling of projects.

As you know, the various Federal Government services now call for public building in many cities and localities, and their efficient operation represents a major task. The district architects have supervisory responsibility for this aspect of the department's activity in their respective areas as well as for new construction.

The Harbors and Rivers Engineering Branch under a chief engineer is concerned with projects related to the maintenance and improvement of navigation — wharves, breakwaters, channels, and so forth — for which the department is responsible.

The 14 district engineers prepare the plans for the projects under consideration, giving estimates of costs, and data on the needs. They also supervise the carrying out of the work on the spot. Some of this work is carried out by contract but many smaller projects are done directly by the department on a day labor basis under the immediate supervision of the district engineers. The important dredging activities come under three district superintendents of dredges.

### To Meet Consultants

We appreciate the desirability of working closely with engineer consultants; consultants are called in by us for special projects. To ensure we have adequate liaison with them, plans were made for a special meeting with a number of them when all the district engineers were in Ottawa for an annual conference.

During the past several months we have been devoting considerable attention to the possibility of increasing the efficiency of our operations in the field through a reorganization of the offices of the district architects and district engineers where in many cases separate local offices are maintained. It seemed to us that economies might be effected in these offices if they were amalgamated — economies in the use of certain technical personnel, in secretarial and clerical staff, and in equipment and space.

We are currently working out the necessary arrangements to complete the proposed amalgamation of the offices, always bearing in mind the specific peculiarities of each locality. At the same time, we are making adjustments in the boundaries of some of the district offices. These adjustments are designed to allow for developments in various parts of the country and for the changing nature of the responsibility of the respective offices, as well as taking into account the latest transportation facilities.

In connection with further decentralization, it is planned to make the district architects increasingly responsible for all work in their own areas. For example, a recent arrangement requires consulting architects to report directly to the district offices and not to head office as was the previous practice.

The Development Engineering branch, also under a chief engineer, is an innovation necessary partly because responsibility for the Trans-Canada Highway was transferred to the Department of Public Works over a year ago. The branch is responsible for the Trans-Canada Highway, bridges and other structural engineering, the testing laboratory and all special engineering projects not related to marine works.

Supervisory engineers of the Trans-Canada Highway division are located in eight provincial capitals to enable them to maintain close liaison with provincial authorities. These supervisory engineers will be incorporated in the plan for amalgamating the local offices of the department wherever possible.

### Purchasing Plan

These four branches form the basic operating units of the Department. But there is another unit which might almost be called operating, although in a different sense, and that is the purchasing and stores branch. This branch buys the materials for the heating, lighting and maintaining of federal buildings together with the furniture and other equipment required. It is, in fact, the largest buyer in Canada of a wide variety of office furniture and fittings.

The branch also purchases supplies for the district engineers in connection with day labor projects although it does not concern itself with very small purchases. It is also reorganizing its local purchases with a view to more decentralization. This is based on the principle that maximum efficiency can be achieved by decentralized purchasing with centralized over-all control.

I would also like to mention the Fire Prevention Branch under the Dominion Fire Commissioner. This branch was transferred to Public Works from the Department of Finance last May. It is responsible for ensuring that the plans for new federal buildings whether drawn by the department or private firms are in conformity with fire prevention regulations and with the best current practice.

As far as existing buildings are concerned, the branch advises on alterations necessary to minimize fire hazards. In the first instance, the activities of the branch are being confined to the Ottawa area, but steps are being taken to expand their scope to cover federal structures in the whole of Canada.

The administrative services of the department deal with the public advertising of invitations to tender and the public opening of tenders. As you know, and subject to certain exceptions provided for in the Public Works and Financial Administration Acts, work estimated to cost over $15,000 is normally publicly advertised.

These exceptions include such things as public emergency where delay would be contrary to the public interest, and also where the job could be more efficiently done by the department itself rather than by contract.

### To Cut Bid-Peddling

You will undoubtedly have heard of the decision of the department whereby as from the beginning of this year its contractors will be required to list the names of their subcontractors. We were fortunate in having the co-operation and guidance of the executive of your association in this matter.

The primary purpose of this change is to ensure that to the greatest practical extent prime contractors will award to the subcontractors listed in his tender the work on which he bid, and will reduce the amount of what is commonly known as shopping around among "subs" after the prime contract is awarded. Several other departments have adopted this practice and this represents another step on the part of the Department to ensure the best use of the taxpayer's money.

An information service was established early last year to keep the public informed about the activities of the department and to provide any background necessary to place these activities in their proper perspective.

The latest addition to the organization of the department is the Economic Studies Division. Its duties include, among others, examination of the short- and long-term aspects of various proposed projects, both from a local and from a national viewpoint.

The department is trying to ensure that public investments will yield the maximum return in service and economic stimulus to the Canadian economy. The new division was established to advise in this field.

I want to expand a little on the economic considerations we must bear in mind when we weigh up the feasibility of particular projects and the degree of priority which they might receive. Every project must obviously be related, in the first instance, to a specific area.

And it is necessary, in turn, to regard this area in the light of its growth trends and not just in term of conditions at a given time. Since structures like buildings and harbor works generally last for many years, it is important that they should be in harmony with economic trends and, when feasible, stimulate growth. Projects which serve only to delay inevitable adjustments in a local economy would surely be contrary to public interest.

Similarly, structures which were either too small or too large for the needs of a community would imply a poor investment. Furthermore, we must never forget that the department is not allotted unlimited funds, and hence, there must always be a choice between feasible projects — which ones will give the best return to the citizens of Canada in a given year.

### Building for the Future

The considerations differ somewhat for public buildings as compared with, say, harbor and river works. The buildings are intended to provide the most economic accommodation for government services in a given year. If this is to be accomplished, buildings constructed now must not only be adequate for current needs but must also have a sufficient margin of space to allow for possible growth of the area served.

On the other hand, if an area is going into a period of long-term decline, the amount of future space required should be judged accordingly.

Projects like harbor and river works may be designed to provide a pure service to a community as a whole, or they may be intended to maintain an economic activity like fishing operations, or to stimulate further economic activity on the part of private enterprise.

Here again, it is essential to examine the long-term prospects. If, for instance, changes in fish catching or processing methods were tending to shift activities from a given harbor, it would clearly be unwise to invest large sums of public money in a structure which might be used very little within a few years.

But in other cases the provision of harbor facilities might serve to stimulate various forms of economic activity —fishing processing, general manufacturing, tourist activities, etc.

When it comes to allocating priorities for specific projects we lean toward those which would stimulate private enterprise, although we always recognize that there may be instances where facilities are highly essential as a pure service to the citizens of a community or area.

The impact of Public Works on the national economy is often the subject of discussion by groups and enterprises throughout the country. I do not wish to comment at length here, but it is well that we try to keep the role of the Department of Public Works in proper perspective.

Outlays on public works which come under the department, including payments to the provinces on Trans-Canada Highway account, will amount to about $100 millions during this fiscal year. That represents only a very small part of the activity of the construction industry throughout Canada.

It must be borne in mind, too, that other departments of Government, notably National Defense, through Defense Construction Ltd., and the Department of Transport, carry out over half of the Federal Government's total construction program.

### Help Unemployed

In drawing your attention to these facts I am not suggesting that the construction activity initiated by the Department of Public Works is of no significance in relieving current unemployment. The projects being carried out in 1954-55 probably represent something like 300,000 man months of work on-site and off-site, including indirect effects on the economy.

There are, clearly, localities where the types of workers unemployed can be absorbed to a useful extent in on-site and off-site activity involved in the construction of public projects and better still where, at the same time, the projects can have a long-term stimulating effect on private industry and hence help to create permanent jobs.

On the other hand, there are cases where the projects are essential to meet the immediate requirements of an area, but the type of workers unemployed do not come from either the construction industry or from related trades. In such cases, the contribution of public projects to the direct relief of unemployment must be relatively small.

Measures to ease the problems of seasonal unemployment have been receiving careful consideration in the department, and all the operating branches have been seeking ways and means to encourage more winter work.

I know that you, too, in the Canadian Construction Association have been devoting a good deal of attention to this important question. No quick and easy solutions are possible, but if industry and Government co-operate to the full in taking advantage of technical developments and of the improved administrative procedures I am sure that substantial progress will be made.

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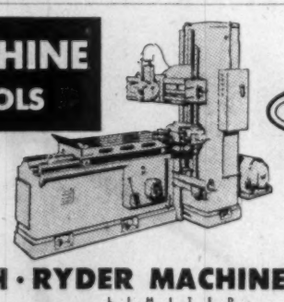

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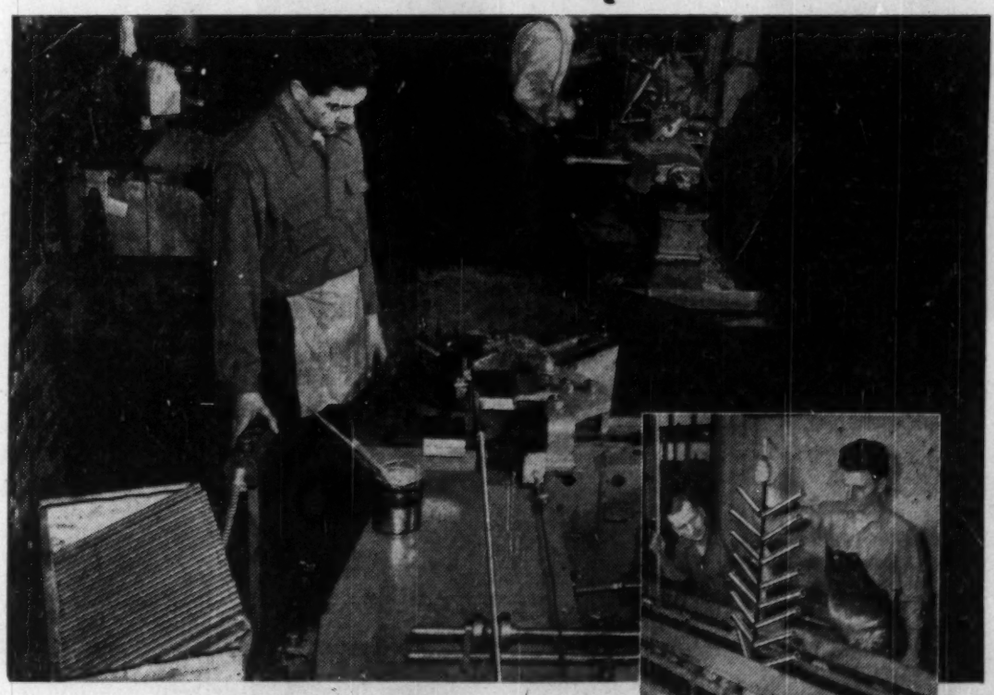

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Below: Chromium plated 1¼" brass tubes for sink traps undergo inspection.

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# The Record of the Paint Companies

## Brandram-Henderson

Brandram-Henderson Ltd. manufactures a wide range of paint, dry colors, enamels, stains, varnishes, etc. It operates a varnish plant at Montreal, a paint plant at Halifax, and, through a subsidiary, a paint plant at Vancouver. The company also carries on a considerable export trade.

Following sterling area import restrictions, an agreement was made with British Paints Ltd. of Newcastle-on-Tyne to produce all B-H products in England on a royalty basis.

For the year ended Sept. 30, 1954, the company showed a net profit of $38,171, against $82,556 in 1952-53. Statements for the year, it was said, "do not reflect the substantial improvement which has actually taken place" in the company's affairs. Sales were higher, and earnings "have been used to bring about the improvement mentioned and in establishing prospects for future business."

"Important advances have been made in performance qualities of the company products," it was stated, "new lines are being developed and every effort is being directed to participating to a greater extent in the country's industrial development and construction activities, and in meeting general consumer demands."

Outstanding capitalization at Sept. 30 included $550,000 4% first mortgage sinking fund bonds due 1961; $313,500 5% general mortgage sinking fund debentures due 1963; and 50,000 n.p.v. common shares.

## Canvar Industries

Canvar Industries Ltd. (formerly Canada Varnish Co.) manufactures paints and varnishes, interior and exterior paints, enamels, lacquers, and sundry lines such as roof coatings, caulkings and putty. Company specializes in the production of coatings and insulating varnishes, etc. for electrical equipment. Trade names are C-V, Vardrox, Sovereign, Amo-Lac, Chlorox, Gold Seal, Pliawood, Navy, Clinton, and others.

At the end of 1953, a shareholders' protective committee was set up by certain of the preference shareholders of the company to contest the right of the company to acquire a new business without first retiring the preference shares. The action was settled out of court when the committee and the company agreed on a redemption price of $23 per share. Subsequently, in June, 1954, the company purchased and canceled 15,575 of the 16,000 preferred shares outstanding.

The company is a private business under the general management of R. E. Edwards, who founded the original company in 1924.

## General Paint

General Paint Corp. of Canada, Vancouver, was formed in 1951 to take over the business of Ayres Varnish Co., and manufactures a complete line of paints, varnishes and lacquers for homes, commercial buildings and industrial plants. The products for the two former are marketed under the names of "Monamel" and Monaseal." The industrial products sell under the name "Invincinite" and provide a complete range of standard and specialized finishes to meet unusual requirements of industrial plants and major structures such as bridges.

In addition to staff on regular production control, company maintains a separate laboratory staff of chemists for investigation and development of new products. Company's products are distributed directly to the trade and the public rather than through jobbers.

Seven branch stores are operated, two in Vancouver, and one each in Victoria, New Westminster, Edmonton, Calgary and Regina. Plant in Vancouver covers an area of 50,000 sq. ft., and equipment includes modern mills, kettles, furnaces and tanks.

Net profit for the 11-month period ended Sept. 30, 1954, was $227,791. In the previous full year net was $236,374.

In December last year company made an offering of $400,000 5½% first mortgage sinking fund bonds due 1969, and an offering of 16,000 Class A convertible n.p.v. shares. The bonds were offered at par and the stock at $8 per share. $200,000 of bonds and all the stock was bought from President Thomas W. Ayres, and the remainder from the company.

Proceeds of the issues were for the expansion of a number of facilities, and to add a separate store next to the plant. Approximately $36,000 was used to liquidate a temporary bank loan.

Capitalization outstanding at the completion of the new financing consisted of $400,000 5½% first mortgage sinking fund bonds due 1969; 16,000 Class A convertible n.p.v. shares and 59,250 Class B n.p.v. shares.

## Imperial Varnish

Imperial Varnish & Color Co. manufactures and sells varnishes, lacquers, enamels, paints, dry colors and protective coatings. Company's plant is in Toronto, and distribution is made through company's own sales organization in Ontario, through jobbers and wholesalers throughout the rest of Canada, and directly to large industrial consumers. Trade names are "Flo - Glaze" and "Imperial."

Net profit for the year ended Aug. 31, 1954, was $158,847, 21.3% less than net for the previous year of $201,793. Earnings per preferred share were $14.82 ($18.82 the year before) and common shares earned $2.57 ($3.46). Dividends were $1.50 in both years on the preferred, and $1.20 ($1.35) on the common.

Company's over-all volume of sales fell off because of the reduction in purchases by the agricultural machinery industry, said President G. C. McEwen. The year's results should be considered satisfactory in view of the highly competitive market, he said.

Capital expenditures were $54,099, and heavier expenditure was expected in the coming year to provide more storage space.

Capitalization outstanding at Aug. 31, 1954, consisted of 10,722 preferred cumulative redeemable participating convertible n.p.v. shares, par $1.50, and 55,610 common n.p.v. shares.

## International Paint

International Paints (Canada) Ltd. manufactures anti-corrosive and anti-fouling compositions, varnishes and other products, general marine, industrial, railway and household paints, enamels and aircraft finishes. One of a group of companies, the parent of which is International Paint of London, England, it has exclusive rights for Canada to all the trade marks, patents, formulae and secret processes of the parent organization.

Through this parent firm, the company is associated with agencies in over 300 points throughout the world. In Canada, plants are operated in Montreal, while another associated company called International Paint (Western) makes similar products in Vancouver.

Recently, extensive alterations were completed at the Montreal plant, expected to result in more efficient operations. A new $70,000 warehouse in Halifax was completed in the spring of 1954, and has greatly assisted in maintaining the company's business in the Maritimes.

During the year ended Sept. 30, 1954, domestic and trade sales were well maintained. But industrial sales declined, resulting in a sharp drop in net profit to $119,843 from $162,972 in 1952-53.

Capitalization outstanding includes $120,000 3½% debentures due Dec. 1, 1955-58; $1 million 6% cumulative participating preferred stock par $20; 20,360 no par value class "A" shares; and 7,140 no par value class "B" shares.

In January, 1955, the company paid 25c per share on the class A and B stock, first dividend since 1930.

## Scarfe & Co.

Scarfe & Co., Brantford, Ont., manufactures and sells varnishes, paints, enamels, lacquers, waxes, polishes, etc. It has a plant at Brantford, Ont., sales branches in Ontario and in Winnipeg and Montreal.

Net profit for the 1953 fiscal year amounted to $89,561, 14.9% higher than net for 1952 of $77,979. Earnings per Class A share were $2.56 ($2.23 in 1952) and $1.17 on the Class B (95c). Dividends paid amounted to 80c in both years on the Class A shares and 40c in both years on the Class B.

Capital expenditure during the year was $58,000, and the president, Mrs. H. C. W. Scarfe, reported that the outlook appeared to be satisfactory.

Capitalization outstanding at the year-end consisted of 35,000 n.p.v. Class A shares and 52,500 n.p.v. Class B shares.

## Sherwin-Williams

Sherwin Williams Co. of Canada Ltd. produces paint, varnishes, colors, stains, lacquers, enamels, Super Kem-Tone, Kem-Tone, Kem-Glo, lead products, chemicals, litharge, dry colors, linseed oil, dyes, insecticides, herbicides, fungicides, and industrial, railway, marine, and transportation finishes. The company sells its own products, with purchases confined entirely to raw materials.

Sherwin-Williams plants, including those of four subsidiaries, are located in Montreal, Winnipeg, Vancouver, and Toronto. Other facilities include two linseed oil mills, dry-color works, two insecticides manufacturing plants, pyroxylin lacquer plant, a lead corroding plant, various factories for printing and manufacturing boxes, barrels, etc., and a power plant at Montreal.

The company owns a plant at Red Mill, Que. for processing bog oxide ore and some zinc oxide, but this was closed last fall. Synthetic materials had been replacing the production of this plant in paint manufacture.

Expansion last year included a new paint warehouse in Toronto, and a warehouse and office building at Burlington, Ont. In addition, the company bought 12 acres near Montreal to build one of the largest paint and varnish warehouses in Canada. Meantime, plans are being prepared for further expansion in Western Canada.

Sales volume for the year ended Aug. 31, 1954, was comparable to 1952-53, thus making total sales for the two years the highest in history of the company. Regular branded lines contributed to the gain, along with increasing consumer demand for the Kem products, Green Cross Insecticides, etc.

Consolidated net income showed little change at $3,268,388 ($3,280,197 in 1952-53). Taxes were down substantially, however, and net profit at $1,422,677 was up 19% from $1,195,095.

For the first quarter of the 1954-55 fiscal year, business was maintained at the same level as a year earlier.

Outstanding capitalization at Aug. 31, 1954, included $3,460 7% cumulative $100 par preferred stock; and 224,720 no par value common shares.

# Calgary Waited 1,111 Days For Its 'Dream Bridge'

Official opening of Calgary's new $2 million Mewata Bridge in December marked a milestone in the city's vast postwar development and was the signal for commencement of a new traffic pattern.

For, as the bridge went into operation, the first stage of a revamping program, introducing one-way traffic, went into effect.

The bridge itself, modernistic in design and flanked by cloverleaf approaches, was the culmination of a Calgary dream which had its start 1,111 days prior to the opening. It was Nov. 21, 1951 that citizens voted a $2 million money bylaw for its construction.

On June 29, 1953, the construction contract was awarded to Baynes Manning Ltd., of Vancouver and two weeks later, Calgary's Mayor Don Mackay took a turn on a pneumatic drill to signal the start of construction.

Then on Nov. 15, 1954 the name Mewata, an Indian word for "to be happy," was selected from many submitted and on Dec. 6 Hon. Gordon Taylor, provincial Highways Minister officially opened it.

The bridge is believed unique in two respects. Norman L. Reid, chief structural engineer for Haddin Davis and Brown Ltd., which designed the bridge and supervised construction, said the centre span, 206 ft. in length, is the longest span of box-girder type on this continent. To his knowledge, the only one longer in the world is the famed Waterloo bridge in London.

The main span is flanked by two end spans each 147 ft. long.

**New Technique**

The other feature is that in its construction a new technique in butt-welding the reinforcing steel, was used for the first time in Canada.

The main bridge has five traffic lanes each 11½ ft. wide and of these, three are earmarked for rush hour traffic. Thus, in the mornings, southbound traffic from north Calgary will use three lanes and in the evenings, with citizens homeward bound, three lanes will be used for northbound traffic.

On the west side there is a bicycle lane and on the east, a pedestrian walk.

The cloverleafs, of 115 ft. curvature, are all of two-lane design.

The bridge and its approaches required 13,000 cu. yds. of cement and 2,000,000 lb. of reinforcing steel.

At the south end of the structure is an overpass approach to cloverleafs and a railway overpass.

A tunnel 7 ft. by 6 ft. and 30 ft. below the river bed, which the new bridge straddles, proved of great use in gaining pre-construction data. It was originally built in 1923 to carry the main water line to the North Hill area of the city and was subsequently improved.

This tunnel was pumped out when planning was in progress, permitting engineers to travel through it and take rock samples to determine the structure on which the piers would have to be built.

The Provincial Government contributed $700,000 toward the cost of the structure and the federal Department of Transport, another $150,000.

The bridge has already proved its value in relieving the congestion at both the Louise and Centre St. bridges which link the south and north sections of the city across the Bow River.

**Traffic Plan**

Other works, which have been completed to tie in with the new bridge in relieving the over-all traffic problem are:

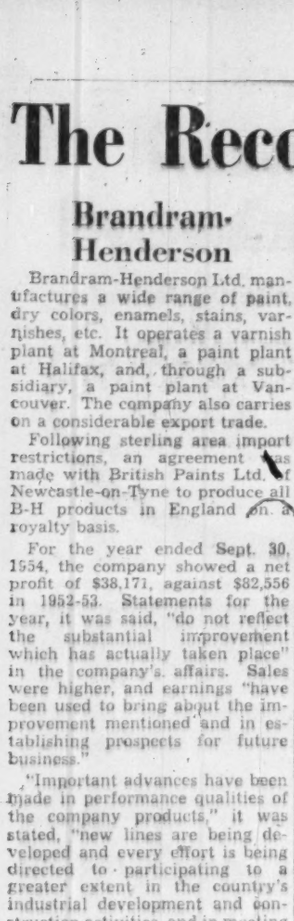
—A cloverleaf and overpass immediately south of the south end of the bridge funneling one-way traffic to a subway and under main-line CPR tracks eliminating a dangerous crossing.

—Establishment of two avenues, feeding to and from the bridge, as one-way traffic arteries as well as two downtown streets for one-way traffic.

—The construction of two overpasses to facilitate one-way traffic by eliminating intersections at the two points.

The only other major bridge construction during 1954 was the Elbow bridge which crosses the Elbow River at Sifton Blvd. and Elbow Drive.

It was built in three months, at a cost of $143,700, by Poole Construction and opened Christmas Eve.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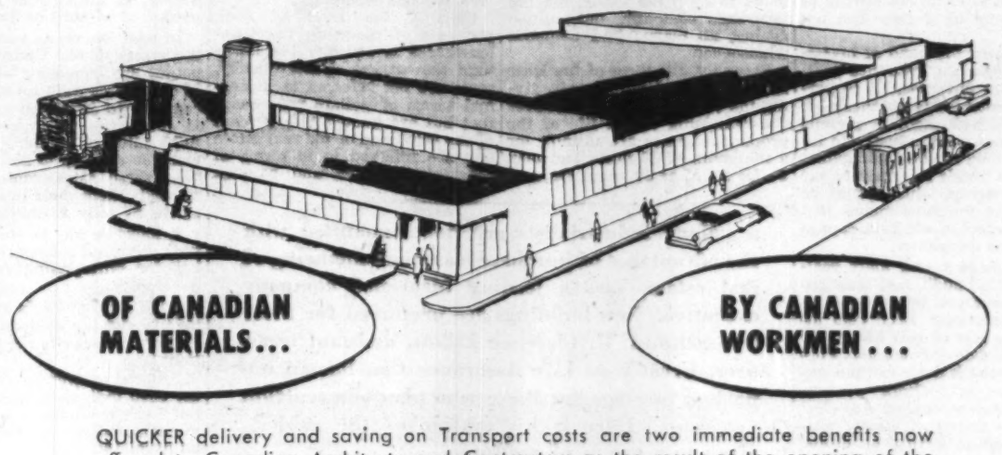

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The tapered construction of Timken bearings enables them to take any combination of radial and thrust loads resulting from big loads and rough, uneven ground.

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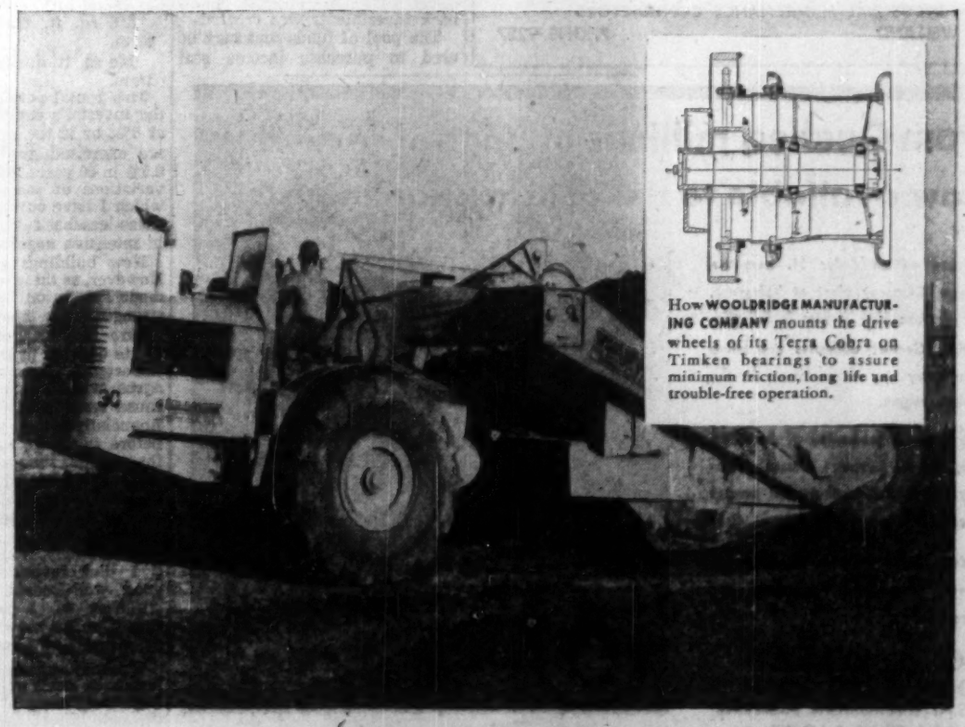

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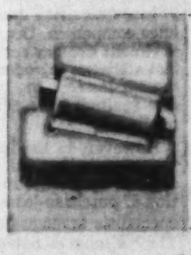

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MADE IN CANADA FOR CANADIAN INDUSTRY

# How To Build Without Investing

## *Purchase-Leaseback Aids Many Firms*

By G. C. ELLIOTT

**Many industrialists are not acquainted with the advantages of purchase-leaseback financing of real estate, says a leading insurance company executive. New buildings are preferred for these transactions. G. Clarence Elliott, assistant treasurer, Great-West Life Assurance Co., has an important message for those who plan construction programs. Here is his outline of the subject, given to a group of realtors.**

The purchase-leaseback is the most important investment medium for the financing of real estate to be developed in recent years.

Purchase-leaseback transactions permit owners of real estate to sell property and recapture their capital investment in land and buildings, and at the same time retain just as complete control of the property as if they had not sold it.

It broadens the band of investments which life insurance companies may purchase. It is particularly interesting to them because, this new medium permits the life insurance industry to invest in strong national companies at interest yields in excess of the rate of interest which could be obtained on the same money if it were invested in the debt capital of the same companies.

Well-informed and alert realtors will find additional sales opportunities from purchase-leaseback transactions. Each deal involves the sale of real estate and a potential sales commission. Purchase-leaseback deals can put extra dollars in realtors' pockets. The investment dealers are alert —they are arranging many transactions and collecting handsome fees.

### *What It Means*

Just what is meant by a purchase-leaseback?

In its simplest terms, it is the sale of real estate by an owner who simultaneously takes a long-term lease on the same property. Or, defining it from the investor's point of view: a purchase-leaseback is the purchase of real estate by an investor, who simultaneously leases it back to the former owner. The outstanding characteristics of this investment medium is that the owner becomes a tenant in what was formerly his own property without giving up the benefits of ownership. This is quite a trick if you can accomplish it—it is like eating your cake and having it too. How is it done? What are the distinguishing characteristics of a purchase-leaseback?

There are a number of characteristics which distinguish purchase-leaseback deals from ordinary transactions, where an industrial company sells its premises and becomes a tenant at the market rent.

1. **The lease**—The most important single element in purchase-leaseback deals is the lease itself. It is not an ordinary lease and is not prepared on the ordinary lease form which you can buy in any stationery store on the Avenue. It is a special lease, a lease tailor-made to fit each transaction.

First of all it is a carefree or net lease. In addition to the liabilities assumed under a normal lease, the lessee in a purchase-leaseback assumes all the liabilities associated with ownership of the property such as:

—Payment of real estate taxes.

—Payment of all types of insurance premiums that may be required by the lessor including fire, extended coverage and public liability.

—Restoration of the property in the case of fire loss.

—Maintenance of the property including structural repairs

In addition, the lessee covenants to keep the lessor, the life insurance company, indemnified against all claims and demands whatsoever.

Secondly, the term of the lease is usually very long, virtually giving the vendor-lessee control over the remaining useful life of the property. Leases are usually for a minimum of 15 years and may be for 20, 25 or 30 years, depending upon the nature of the property, the level of rent, and the character of the lessee's business. Most leases provide for a series of five- or 10-year renewals to be exercised at the lessee's option. If the renewals are exercised, the lease may extend over a 40-50 or even 60-year period.

In one instance that has come to my attention, a well-known supermarket chain arranged options, which if exercised will extend the lease to 90 years. Most investors frown upon such long-term leases; they prefer an overall lease term not exceeding 40 to 50 years on industrial property.

### *When Options Expire*

What happens when the lease and renewal options expire? Usually, the lessor owns the property unencumbered and the investor is free to dispose of the property in whatever manner appears appropriate at the time.

However, in some instances, the lessees are being granted options to purchase for a nominal amount at the end of the lease term. In these cases, of course, the property returns to the original owner and the cycle is completed. But there appear to be rather serious disadvantages to both the lessee and lessor, when a lease contains a purchase option.

—The Department of Finance may rule that the intent of the transaction is 100% debt financing rather than a landlord-tenant relation. The vendor-lessee may not be permitted to deduct the rent as an expense for tax purposes. This may remove one of the important advantages of a purchase-leaseback. Industrial companies should consult their income tax authorities before asking for an option to purchase.

—Potential appreciation in real estate values during the term of the lease is one of the advantages recommending purchase-leasebacks to investors. Options to purchase effectively remove this advantage.

Usually, the level of rent, per unit of space, in purchase-leasebacks is considerably lower than the market. Unfortunately, rents are not referred to in normal terms of dollars per square foot but are quoted as a percent of the sale price of the real estate and are referred to in terms of constants (7.0-6.76 and so on).

The use of rental constants tends to cloud the issue and obscure the actual rent per square foot. This is an unfortunate development.

Some reasons to explain it:

—The vast majority of purchase-leaseback transactions have been with financially strong vendor-lessees such as Woolworth's, Weston's, Loblaw's, Northern Electric and Nash-Kelvinator on the one hand, and life insurance companies on the other. These industrial and commercial companies appear to look upon this investment medium as a form of debt financing; they tend to think of the rent in terms of a percentage of the sale price and the corresponding yield which the purchaser-lessor will obtain on the investment, rather than investments in real estate equities with rent expressed in terms of dollars per square feet.

— The second reason that rents are low on purchase-leasebacks with financially strong tenants is a corollary to the first.

Most purchase-leaseback transactions are negotiated with life insurance companies who also appear to think of purchase-leasebacks in terms of debt financing rather than equity investments. They relate the yield expected on a purchase-leaseback to the yield at which the industrial company could borrow and appear to be satisfied with a small differential above this rate of interest.

Frequently, this return has little relation to the yield a normal private investor would be justified in accepting on this type of equity investment in real estate.

I feel that the life insurance industry should adopt a more realistic approach to the level of return expected from purchase-leasebacks.

### *Tremendous Market*

There is another important characteristic of purchase-leasebacks. For many years, life companies could only purchase real estate for their home and branch offices. In 1948, Canadian life insurance companies were permitted to purchase real estate for income purposes. Thus in one single legislative stroke a tremendous market for purchase-leaseback investments was created.

The pool of funds that may be used to purchase income real estate is limited by law to 5% of assets. At the end of last year, the combined assets of Canadian life insurance companies amounted to approximately $5.5 billion. The 5% real estate provision amounted to $275.0 million. Actually, at the end of 1953, life insurance companies owned only $63 millions of real estate for income purposes — less than one quarter of the amount they were permitted to hold by law.

In addition, on an annual basis, the assets of our Canadian companies are increasing at the rate of about $350 millions while their capacity to invest in real estate is increasing by approximately $17.5 millions. I think it is significant for realtors to note that last year these same companies increased their holdings of real estate by only $9 millions.

It looks to me, as if there is a very large and remunerative market for enterprising realtors to develop.

What kind of deals are acceptable to the life companies? How do they underwrite these transactions?

I cannot answer these questions for each individual life company, but I can enunciate a few fundamentals that are generally accepted in the industry.

Purchase-leaseback deals extend over a very long period of time and, as the basic strength is in the lease, the lessee must be a very strong credit. Most life companies are looking for credits of the calibre of Canada Safeway, George Weston's, Canadian Westinghouse, Firestone, Northern Electric and Kelvinator.

In fact, the legislators envisaged purchase-leasebacks with strong credits as they provided that if a life company purchased real estate to the statutory limit of 5%, two fifths of its holdings must be leased to companies that meet the following provision:

— The lease must be made to or guaranteed by a corporation which has during the preceding 5 years paid: (1) regular dividends on its preferred stock, (2) dividends of at least 4% on its common stock.

— The lease must provide for a net revenue sufficient to yield a "reasonable interest return during the period of the lease" and "to repay at least 85% of the amount invested within the period of the lease, but not exceeding thirty years from the date of investment."

— The amount invested in any one parcel is limited to ½% of total ledger assets.

The rent required by an investor depends upon a number of factors:

— Credit of the vendor-lessee.

— Age and nature of the real estate.

— Term of the basic lease.

— Length of the overall term including renewals.

— Cost of money — general level of interest rates.

— Interest rates on alternative investments.

### *Rental Pattern*

Generally speaking, the rental pattern on new industrial property located in acceptable industrial areas, and leased to satisfactory national credits would probably run something like this today:

25-year basic term: 7.68% constant.

3 5-year renewals: 2,30% constant.

If the land and buildings sold for $8.00 sq. ft. of gross space, the vendor-lessee would be paying a net rental of:

51c sq. ft. during the basic term.

18c sq. ft. during the renewal term.

This rental pattern will return the investor's capital in 25 years at 6%, or if the renewal options are exercised, the yield will be 6.5% in 40 years. There are many variations of the rental pattern which I have outlined as all purchase-leaseback deals are subject to intensive negotiations.

New buildings are preferable. However, as these investments are made largely on the basis of the strength of the tenant's credit, the nature and location of the real estate appears to be of secondary importance. Personally, I cannot agree with this philosophy because some companies that are financially strong today may fail before the lease expires and the investor has time to recapture the investment. In such instances, the investor must finally look to the real estate itself to recapture his investment.

Accordingly, it appears imperative that investors select only good well-located property for purchase of leaseback investments, unless the expected return compensates for this risk.

You may wonder how purchase-leaseback deals originate. In the beginning, many of them develop through direct negotiation between industrial and life insurance companies. Occasionally, investment dealers acting as financial advisers, introduced potential vendor-lessees to investors. A few realtors have acted as intermediaries.

However, in the last few years we have witnessed the appearance of specialists in the origination of purchase-leasebacks. These specialists arrange package deals. They discuss a potential vendor-lessee's requirements and then proceed to find and buy a site, arrange for the plans, specifications, the building of the improvements and a net lease with the industrial firm. When the property is ready for occupancy, they sell the entire package to a life insurance company at a profit. These developers are performing a very useful function in the development of purchase-leasebacks. They assist industrial companies to obtain a new building designed and constructed to their specifications and in a location of their choosing. There is a great advantage to a life insurance company to be able to take over a completed building with the lease arranged.

### *For and Against*

Like all new developments, purchase-leasebacks possess advantages and disadvantages. First of all let us look at the advantages to life insurance companies, the most important investor in purchase-leasebacks.

—It permits them to enjoy the benefits of equity investments in real estate without assuming the corresponding risks and liabilities of ownership.

—They obtain a fixed return in excess of the rate of interest which could be obtained on the same money if it were invested in the debt capital of the same companies.

—In addition, after having recovered the investment at a satisfactory return during the over-all lease period, they stand to profit by the residual value of the property.

—The long-term nature of the investment meets the requirements of life insurance companies whose liabilities are also long-term in character.

From an investor's point of view, probably, the chief disadvantage of purchase-leaseback investments lies in the relatively inferior position of the lease liability in bankruptcy proceedings. In the event of the lease's insolvency, the lease may be canceled and the entire lease obligation settled for payment of only three months' rent in most jurisdictions. Should this occur during a business recession, it could leave the investor with an outstanding investment in the property considerably in excess of the market value.

Probably the most important advantage of the purchase leaseback is that it enables an industrial company to secure without any capital outlay whatsoever, new buildings of their own plan and design in locations of their own choice.

It permits a company to thaw out its frozen real estate asset and convert it to working capital where it will earn a higher return.

It may reduce income taxes as rent is an expense. This consideration is particularly important where the buildings are old and written off for tax purposes. By selling them and leasing them back, the vendor-lessee is able to realize a capital gain on the sale and depreciate the buildings all over again as an expense before income taxes.

4. Strong national companies are able to rent space on a permanent basis at a rental below the market.

It provides money for expansion.

It increases working capital.

An important disadvantage is the assumption of all of the liabilities associated with the ownership of real estate. A dramatic change in real estate taxes or unexpected maintenance could increase the rental charges significantly.

In an era of fast-moving technological developments an industrial company may find itself frozen into an obsolete property.

In conclusion, purchase-leasebacks have recommended themselves to life insurance companies as a desirable investment medium. These life companies have a large pool of funds which can be directed into this type of investment. On the other hand, purchase-leasebacks have also recommended themselves to industrial companies especially to those companies which own buildings that have been fully depreciated for income tax purposes. However, many industrialists are not acquainted with this new investment medium and its many advantages to them. This suggests an opportunity for realtors to render a service to the owners of industrial and commercial real estate in Canada.


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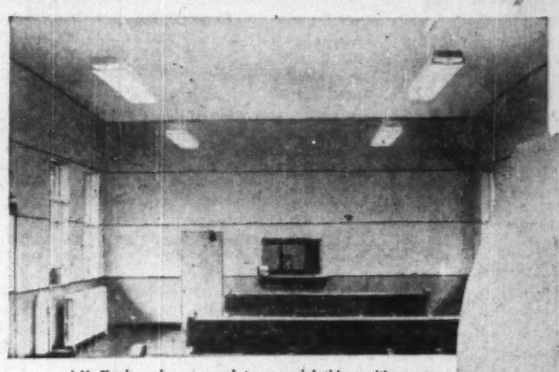

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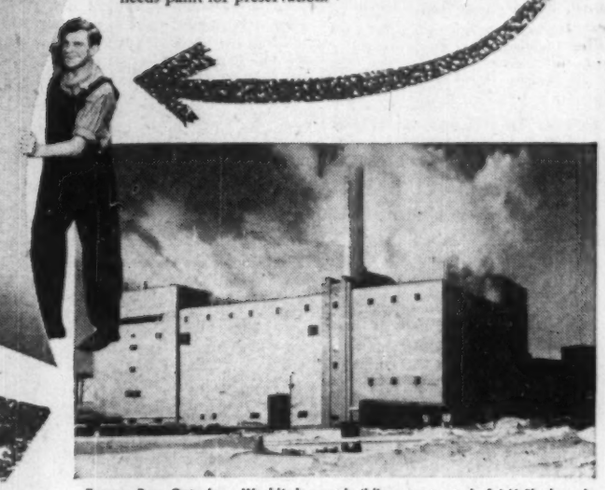

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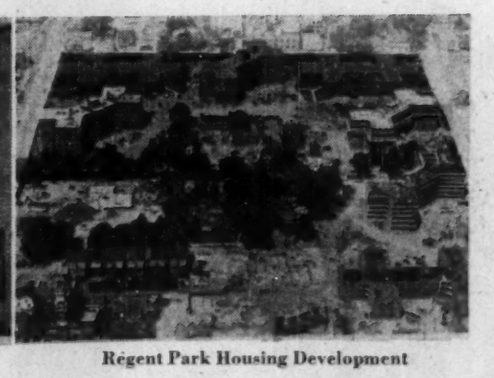

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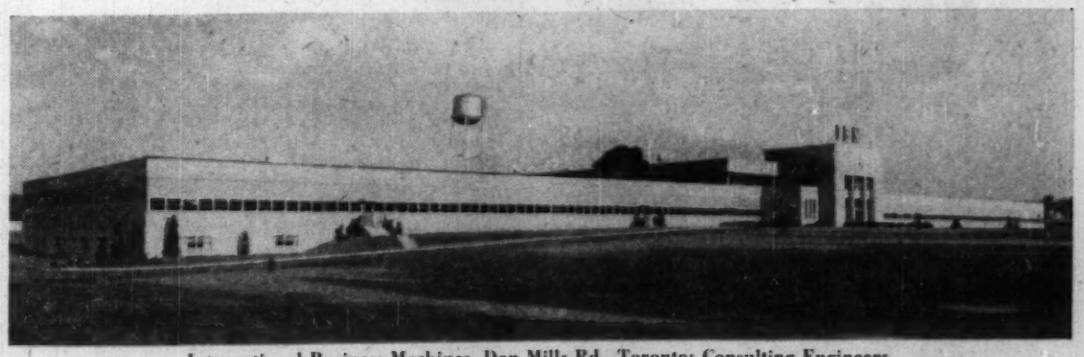

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# The Romans And The Incas Knew How

## *Natural Materials Are Still Best For Road Building*

***The road builder looking to researchers for a spectacular new material for highway construction is in for disappointment, says Robert F. Legget, director of building research division of the National Research Council, Ottawa. In an address to the Canadian Good Roads Association convention in Toronto, Mr. Legget stated that best progress can be made by fullest utilization of natural materials and special study of problems they present. Here is a digest.***

BY ROBERT F. LEGGET

It must be recognized at the outset that the paramount material for roadbuilding is and always will be the most common material of all—soil. The other principal materials used for highway work are also amongst the most familiar in all types of construction—concrete and bituminous materials in their various forms. Frequently heard is the jibe about building today being erected in the same way as they were by the Romans.

This is one of those flippant half-truths which can do so much disservice to public understanding of building progress. In the case of highway construction, however, the statement is rather more than half a truth since the basic materials we use today are really the same as those used many hundreds of years ago, methods being not dissimilar, apart only from the use of mechanical equipment.

Since, however, we are dealing with the commonest of all building materials and since soil will be the prime material in roadbuilding just as long as roads are built, this experience from the past is surely nothing to be disparaged.

### Romans Knew How

The Romans, for example, had very high standards of road construction. Their standard pavement construction varied from 3½ to 4 ft. in thickness, consisting of four main layers. They usually laid their base course on a properly compacted layer of sand called the *pavimentum*. The base course consisted of the lower *statumen*, except when roads were built on solid rock over which was placed the *rudus*, usually of concrete or of compacted clay. Upon this they laid their third layer, or *nucleus*, which was usually of sand or gravel put down in successive layers and rolled. Upon this was then laid the *summa crusta*, which formed the wearing surface of the road or pavement as we know it today.

Many thousands of miles of road constructed in this way are in use today, modern highway pavements in many cases resting upon the old Roman foundations.

In a corresponding way and in our own hemisphere, the Incas used a bituminous pavement in the construction of their remarkable road which runs down the length of the Andes for a distance of well over 1,000 miles—a road, parts of which are still in use today, some of the old pavement (as we would call it) still being visible. It must be admitted that these ancient roadbuilders had all the manpower they could use.

Making every allowance for this, however, their practice of compacting the soils they used is one which is still capable of further development and is a feature which must distinguish the highways of tomorrow.

### Hint From MacAdam

Let us, however, come to more modern times and consider this statement regarding good road construction: "The roads can never be rendered thus perfectly secure until the following principles be fully understood, admitted and acted upon, namely, that it is the native soil which really supports the weight of traffic; that while it is preserved in a dry state it will carry any weight without sinking, and that it does, in fact, carry the road and the carriages; also that this native soil must previously be made quite dry and a covering impenetrable to rain must then be placed over it to preserve it in that dry state; that the thickness of the road should be regulated by the quantity necessary to form such impervious covering, and never by any reference to its own power of carrying weight."

By a slight change in this quotation (such as changing the word "dry" to "properly moist") this statement would serve as a good guide for the construction of highways of the future despite the fact that it appears in a book published in the year 1822, the sixth edition of the famous treatise on road construction by John Louden MacAdam.

It must therefore be expected that in considering the materials for road construction in the future no radical change is to be anticipated. Soil will continue to be the foundation bed for practically all roads.

We must therefore learn how to use it, how to adopt local soils for local use by the admixture when necessary of small quantities of chemicals, how to ensure that soils will retain throughout their service the properties intended for them, and how soils which are completely unsuitable for road support may be detected and readily replaced. These are principles that are well recognized but which must be developed further.

There are possibilities for improvements in the use of such soils as we have. For example, as supplies of gravel diminish, it may be useful to turn attention to the possibility of using glacial till or boulder clay, which Canada has in such quantities, directly if some suitable means of crushing the large rock fragments in such material can be economically devised.

Correspondingly, in other parts of Canada where the local soil is a continuous exposure of clay, the experiments which the Australians have conducted on baking or calcining clay in place, in order to form a natural hard roadbuilding material, may be worth following up with native Canadian clays.

It seems clear, however, that apart from the possibility of such special treatments of the soils which we have, progress is generally to be expected by a greater appreciation and steadily increasing use of the knowledge already gained in using soils as engineering materials. In a corresponding way, the development of Portland-cement concrete and bituminous materials for the formation of pavements, so far as can be seen, would appear to lie generally along the improvement of practice using these "conventional" natural materials to form wearing courses which will perform their dual function satisfactorily.

### Northern Roads

In considering highways of the future, note must be taken on the probability that many of Canada's future roads will be built in northern regions, some far to the north of areas in which roadbuilding is normally carried out. Here lies the need for special research and for investigation of the best ways in which to deal with such unusual materials as muskeg.

Work has started, at the National Research Council, at McMaster University and the University of Alberta, on what is bound to be a long-term study of this peculiarly Canadian material which must be recognized in road work, not as a material to be used in construction, but one over which roads will have to be constructed.

In a similar way, brief reference must be made to two other materials which, although not peculiar to Canada, are so dominant a feature of Canadian road practice that their study constitutes a very special Canadian responsibility. I refer to snow and ice, materials which, again, we do not normally think of for roadbuilding, but which have to be dealt with—and in very large quantities—by road engineers.

At the National Research Council, the Division of Building Research has just completed the first snow and ice research laboratory to be built in Canada, one of the very few such laboratories in the world. Work has already started on the study of some of the basic problems of snow and ice, the first ice-research problem relating to the bearing capacity of ice as it is used to form roadways over lakes and rivers during winter seasons.

### No Startling Results

Apart from such basic research studies, advance in connection with soils and materials for the highways of tomorrow in Canada must be by the application of research done elsewhere under Canadian conditions and the further development in Canada of necessary studies into special local problems. It is for this reason that the highway-research activities of the provincial highway departments and of the provincial research organizations are so warmly to be welcomed.

There can be no promise of startling results from such work. Even such research work as is done will be effective only when it is applied in the normal practice of the various agencies responsible for constructing and maintaining highways throughout the Dominion.

**IT'S NOT a grounded flying saucer; it's a barn.**

## *Big Future For Plastic Cow Barn*

(Continued from page 41)

prove that a fresh approach to building is required in order to reduce basic shelter cost."

The projects are being privately financed as an investment risk.

"Geodesic" structures are not suitable for do-it-yourself erection. The firm plans to mass produce the units and make them available on an instalment charge and rental basis. It will assume responsibility for maintenance.

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"Weatherbreaks" can be built in group units when more space is needed.


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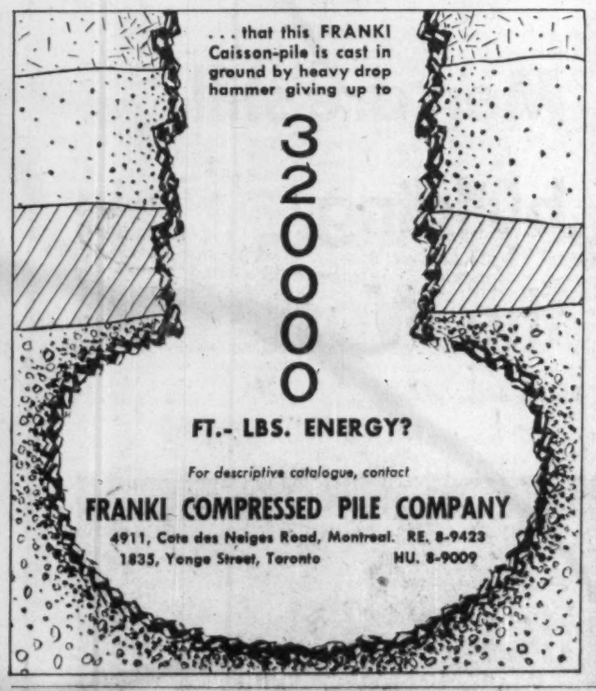


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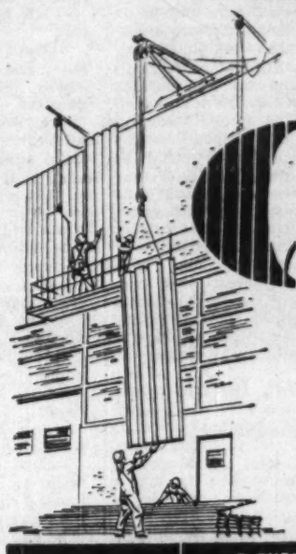

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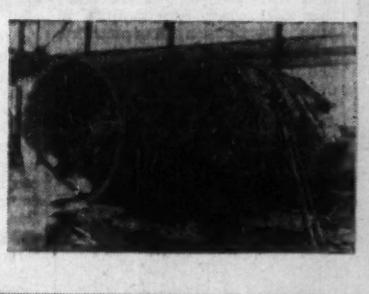

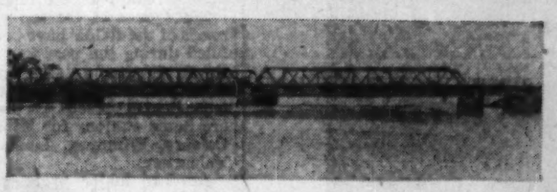

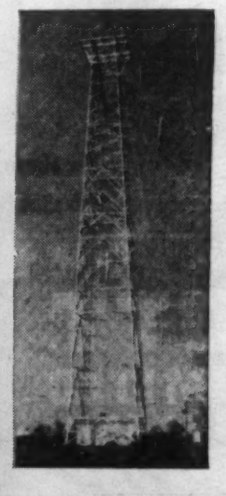

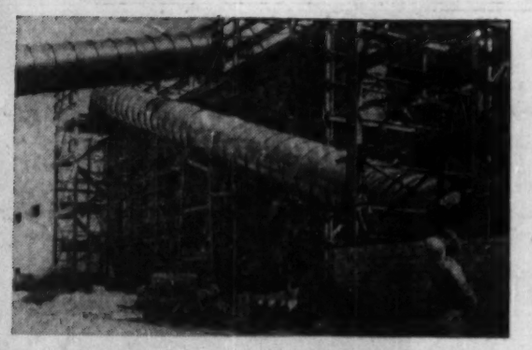

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# It's A Big Drive For Comfort Dollars

## *The Mechanical Trades Are Streamlining The Business*

By AL EPP
Editor, Heating & Plumbing Engineer
(Maclean-Hunter)

Competition on all fronts for the "comfort" dollars of businessmen and homeowners this year will be keener than ever before.

At stake: a multimillion-dollar market. The battlefields: residential, commercial, institutional and industrial construction.

Comfort is as good a word as any to describe what the mechanical trades — heating, plumbing and air-conditioning contractors — have to sell. It covers those engineering refinements that turn mere existence into modern living — from automatic zoned air conditioning to colored bathrooms and giant industrial boilers.

Government officials and experts in the industry have come up with a long-range forecast covering the next 10 years. Here's what they expect homeowners to spend for "comfort":

—$650 millions for heating and plumbing equipment and fixtures for one million new homes;

—$300 millions for heating and plumbing equipment in Canada's rural markets;

—$34 millions for new and modernized bathrooms;

—$15 millions for modernizing kitchens;

—$30 millions for new heating equipment;

—$5 millions for heating and plumbing for homes being converted to duplexes;

—$8 millions for additional heating and plumbing improvements for existing homes;

—$210 millions for oil burners and controls.

Figures above are exclusive of the millions spent in the industrial, commercial and institutional fields.

Construction awards during 1954 reached $2,115 millions, up 7% from the year before. The increase was due to 23% more housing contracts and 13% more commercial and institutional jobs. Industrial awards were down 27%, engineering contracts down 11%.

### High Stakes

Figuring that anywhere between 18-30% of a building's total cost may go for heating and plumbing, the stakes are high and worth fighting for.

Sharper competition means a buyers' market and the variety of items offered this year will eclipse previous years by a wide margin. If you can't find a tailor-made package to suit your needs, just say the word and a custom-made job can be designed to fit the bill — whether it's year-round air conditioning for a glass-and-steel skyscraper or heating the largest aircraft hangar.

What do plumbing, heating and air-conditioning contractors think of business prospects for 1955?

Generally, they're an optimistic lot from association presidents down to the smallest contractor. Their views are strengthened by considered opinions from leading businessmen and top-level government officials predicting that Canada's economic health this year will be as good as last year if not slightly better.

Let's take a look at what some of them have said:

O. J. Firestone, economic adviser, Department of Trade and Commerce: ". . . on balance I am inclined to think that we can expect another large volume of house building activity in 1955 . . . if construction continues at a high level in 1955, as has been suggested as a possibility, this would represent one of the strongest supporting factors for the Canadian economy."

Stewart Bates, president, Central Mortgage & Housing Corp.: ". . . 1955 is likely to be a record year for housing construction . . . last year there were 117,000 starts and 106,000 completions . . . the carry-over at year's end was 70,000, an all-time high, and presents a strong possibility for a new record of completions this year."

Adam Clark, president, National Association of Master Plumbers and Heating Contractors of Canada: "The situation in the plumbing and heating industry depends largely on the building and construction industry. If they have a good year, we will have a good one too."

Canada's postwar economic growth has been marked by increasing capital expenditures for construction, machinery and equipment, repair and maintenance. If 1955 plans parallel last year's, more than $2 billions will be spent on housing and other building constructions with another $2 billions on repair and maintenance. Defense spending is not included in these figures.

Housing figures have already been mentioned. The "other building construction" takes in stores, office buildings, institutions, schools, hospitals and industrial plants.

### *Industrial Markets*

Rate of growth here may be on the spotty side since many industries have already completed their postwar expansion plans. Agriculture, iron and steel, nonferrous metals, chemicals and textile concerns could be among those reducing their capital spending. Any decline here, though, could be offset by more expansion among petroleum, mining, food and beverage, rubber products, printing and publishing, nonmetallic mineral products industries.

The Korean war may have forced many industries to concentrate their expansion within a few years rather than spreading it out over a number of years as would normally be the case.

### *Commercial, Institutional*

Opportunities here are hitched to the growing population and its shift from rural to urban areas. Within the major urban areas a secondary movement is taking place—the growing number of suburbanites.

With a growing population come hotels, clubs, restaurants, office buildings, stores, garages, service stations, theatres, arenas, bowling alleys, radio stations, wholesales, schools, churches, hospitals, clinics, laundries, and dry cleaners. In 1951 and 1952, emphasis was on defense and strategic industries and certain restrictions were placed on less essential building such as in the commercial and institutional field.

At the beginning of 1953 these restrictions were removed as men and materials were released from completed priority work and a rapid expansion took place which has maintained a steady pace. Unless government re-imposes these restrictions because of international developments, this rate of growth should remain steady.

### *Housing*

Canada's housing shortage continues to stimulate residential construction as evidenced by housing figures mentioned earlier in this report.

David Mansur, former president of Central Mortgage & Housing Corp., estimates that about 10% of present dwelling units contain more than one household group. "While we can't say that we need 10% more homes, we can at least say that about half of the 10% is effective demand for more homes," he added.

More school-age children (about 150,000 per year until 1963) mean more schools. Mansur figures that about $150 per child is spent on plumbing and heating. There is strong evidence, too, he added, that families are "trading up" when they buy their second or third home much the same as when buying the family car. A recent sample showed that 31% were buying for the second time while 69% were buying for the first time, indicating a healthy backlog of demand.

### *Modernization*

For many contractors this field is a full-time job; others enter this field when opportunities in other directions are less plentiful.

Modernization prospects undoubtedly are greatest in the residential field. Last year Canadians spent more than $200 millions fixing up their homes.

Some alarming figures in light of Canada's high standard of living are revealed by the ninth census taken in 1951. They show that:

—25% of all dwelling units have no inside water supply;

—30% have no installed bathtub;

—about 50% are without automatic heating and use stoves, etc., to heat living quarters.

More selective modernization statistics were gained from a special survey for the Canadian Institute of Plumbing and Heating. Covering five major Canadian cities (Halifax, Montreal—French and English sections, Toronto, Winnipeg and Vancouver) the survey revealed that:

—22% of homes still had the original furnace operating;

—only 16% reported modern kitchens;

—60% still have original laundry equipment;

—58% have only one bathroom;

—only 19% of bathrooms are modern;

—37% of homeowners gave financial reasons for delaying making changes or for not planning any changes at all.

The last finding could be wiped out completely if homeowners make full use of the Home Improvement Loan sections of the National Housing Act which took effect Feb. 1. Under the provisions homeowners may borrow as much as $2,500 from banks at 5½%, CMHC to guarantee the loans. Repayment periods can be stretched over five years.

Mr. Mansur predicted last October that approximately 75% of the materials and services used to modernize homes would come from the plumbing and heating industry.

Heating equipment especially, he said, was in a shocking condition. He felt that he could operate a heating company himself quite profitably in the modernization market alone.

### *Defense Spending*

New defense constructions awards, maintained at about $100 millions annually for the past two years, are expected to continue at this level, if not exceed it, this year. This was announced by President R. G. Johnson of Defense Construction (1951) Ltd. Speaking to the annual convention of the Canadian Construction Association, he noted continuing need for defense construction and quoted from the White Paper on "Canada's Defense Program" of May, 1954:

"Experience over the past three years shows that to maintain the armed forces at the present level of strength and quality, provide them with suitable conditions and accommodation, and furnish adequate quantities of up-to-date equipment could not be carried out except by making appropriations and expenditures at about the present level."

Mr. Johnson referred specifically to the new army camp to be built near Fredericton, N.B., Camp Gagetown, as it is known, will have a permanent population, including civilians, exceeding 3,000 and during training periods this figure will increase by thousands. Plans call for 1,400 housing units and three schools as well.

An interesting feature of the project is the central heating plant and heat distribution system. When completed, the heating system will be the largest of its kind in Canada using high temperature water. Three hot-water generating units in a central plant will produce, at top capacity, approximately four million gal. per day of hot water at 370 deg. F. and 160 lb. pressure. Supply and return lines are in underground concrete tunnels.

Since most of the top priority needs of the RCAF have been fulfilled during the past four years, the Army's home station development program is the largest defense item at present. On the books are home stations for Edmonton, Calgary, Winnipeg, London and Valcartier.

Another major project is the Mid-Canada Line which along with the DEW Line (Distant Early Warning) and Pinetree chain will give Canada three early warning radar chains for detecting approaching enemy aircraft.

### *New Developments*

Depending on whether you like warm-air, steam or hot-water heating, with or without true air conditioning, the comfort you desire depends on how much money you want to spend.

Manufacturers have spent many thousands of dollars perfecting heating systems designed to give the ultimate in comfortable living.

Warm-air furnaces now are designed as attractive pieces for your basement or utility room, are painted pleasant colors, take up less room than predecessors, operate with much greater efficiency.

Gone is the idea that warm air must be delivered at inside walls. Registers now are placed where the heat loss is the greatest — by windows and along outside walls. Some systems have baseboard perimeter outlets, others have baseboard registers along outside walls with small pipes leading to them from the furnace. Air can be filtered and humidified without buying true air conditioning.

Steam and hot water heating, too, have made great advances. Ugly stand-up radiators are being replaced by built-in convector-radiator units which blend in with interior decorating schemes and are practically unnoticeable.

Panel heating with coils either in the ceiling or floor is becoming more popular than a few years ago. Hot water boilers are more compact yet efficiency is greater.

One of the latest heating systems uses low pressure steam to heat air which is expelled into rooms by a small steam-driven turbine. Individual room temperature control is one of this system's biggest selling points. Room units are tastefully designed and equipped with individual thermostats.

Powerful unit heaters have been designed for heating vast factory and warehouse spaces; some operate by steam, others distribute air from a central plenum or warm and recirculate room air. Many are direct-fired using either gas or oil.

### Plastic Pipe Boom

Plastic pipe is revolutionizing cold-water-supply thinking. In 1947, there wasn't a single pound produced in Canada for commercial use; estimates for 1954 were that more than three million pounds would be sold. It's the "boom baby" of the growing plastics industry.

Its advantages are many. Light, flexible, non-toxic and easily worked and handled, plastic pipe is being used more and more to save time and money in a wide variety of applications.

The new look has been in kitchens and bathrooms for some time now. You're out of date if your kitchen still has that white clinical look. The same applies to bathrooms. Both are now available in a wide range of colors with maximum use of materials such as plastic tile, chrome fittings, glass and plastic curtains.

For bathrooms there are the new space-saving, compact combination lavatory-cabinets — smartly designed lavatories with specially-built counter tops with cabinets below. Modern design has been applied to bathtubs and several exotic shapes are available.

In kitchens, enameled steel is making a strong bid for the market, although wood is trying a strong come-back using natural finishes with ornamental hinges. Cupboard space is plentiful with wall-hung cabinets, Lazy Susans and corner units.

For the factory, round wash-fountains solve the problem of a battery of sinks with individual soap dispensers; wall-hung toilets make maintenance much easier and designers have taken great pains to arrange facilities in a logical order so as to save steps and time for the users.

### *Materials*

There was no real shortage of plumbing and heating materials during 1954 and there's no reason to expect any change this year.

Manufacturers have been working at full capacity with sales keeping pace so that inventories are not out of line at present. Some may have surveyed the market potential and deliberately built up stocks on hand so as to ensure deliveries when required, but there is no sign of overproduction with respect to sales.

Any weak spots will be local and of short duration. Government figures on imports of hot-water boilers, warm-air furnaces and oil burners are interesting. During 1954 value of domestic hot water boilers was nearly double the 1953 figure; number of warm-air furnaces was practically tripled; but the number of oil burners dropped from 23,413 to 14,996. The decline in oil burners imported is due partly to the revision of sales tax applicable to Canadian-made burners and may be expected to decline further.

### *Retail Selling*

On the retail market plumbing and heating contractors face perhaps their stiffest battle. The growing do-it-yourself trend has brought department store giants like Eaton's and Simpsons-Sears into the retailing picture and they've grabbed a big chunk of the potential market.

In many cases, the chains can sell plumbing fixtures and heating equipment to the consumer cheaper than the contractor can buy it from the wholesaler. Grave concern over this development has been expressed by the trade but manufacturers selling to chains have not altered their views.

Bringing their heavy advertising guns into play, the department stores are simply out-merchandising the smaller contractor. If a

(Continued on page 54)

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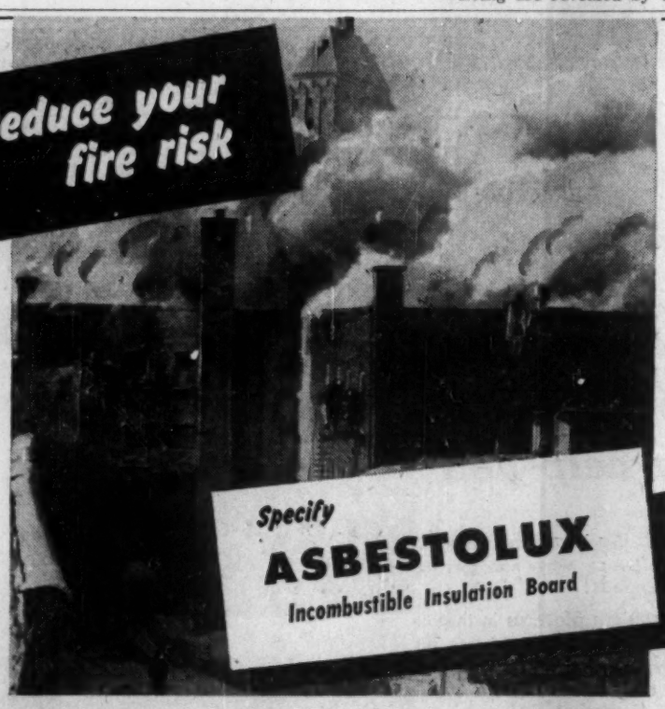


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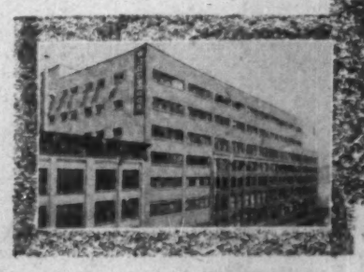

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# The Big Job of Building the Seaway Starts to Roll

## *Locks, Bridges, Power Dams Promise Plenty of Work Ahead*

When they write the construction history of Canada, a long important chapter will bear the title: building the St. Lawrence Seaway.

The deep waterway and its accompanying power projects are today the largest construction jobs in the country. Preliminary work on almost every phase of the Seaway is now under way; engineering specifications have been completed for the entire undertaking.

Canada's participation in the deepening of the waterway amounts to:

—Building a new canal with two locks from Montreal harbor to Lake St. Louis at a cost of $122 millions.

—Installing locks in the Beauharnois power canal at a cost of $47 millions.

—Dredging shoals away in Lake St. Francis at a cost of $4.5 millions.

—Building side canals and three locks with necessary channel excavations at Iroquois, around the patrol dam for the international section power site, at a cost of $14 millions.

—Deepening the Welland canal from 25 to 27 ft. at a cost of $2 millions.

At the same time the U. S. Seaway Development Corp. will have to:

—Build canal and locks past the main power dam at Barnhart Island near Cornwall at a cost of $70 millions.

—Dredge in the Thousand Island area at a cost of $2 millions.

—And probably build a parallel canal and locks to the Canadian St. Lawrence banks at Iroquois at a cost of $14 millions.

**Montreal Face-Lifting**

A $6.3 million face-lifting of Montreal's Victoria Bridge linking the city with the south shore has also been included in Seaway Development work. This will involve removal of electric railway tracks to make way for a new highway and installation of a lift span to permit passage of ships using the seaway. Cut-offs will be provided to permit motor traffic to flow uninterruptedly along the canal embankment to other bridges when the lift span is in operation.

If Quebec Province decides to go ahead with a combined power-navigation project, the building of an installed capacity of about 1.2 million hp. at Lachine is also contemplated. This would involve construction of a dam and power house in the vicinity of Victoria Bridge, as well as the building of control works at the outlets of Lake of Two Mountains.

The main power project is located at Iroquois in the International Rapids section and involves a $600 million development which will produce 2.2 million hp. This part of the project is being developed jointly by the U. S. and Canada.

This winter engineers of the Ontario Hydro have been conducting field surveys and sub surface investigations for channel and dyke locations in the area. The project office of the Hydro is being built at Cornwall by Cementation Co. of Canada. Work has also started on access tunnels under the present 14-ft. ship canal to link the mainland with Barnhart Island.

Another important construction phase of the Seaway will be the moving of 1,273 buildings from land which will be flooded by the new canal. This area extends about 46 miles along the St. Lawrence River from Chimney Point between Prescott and Cardinal to Barnhart Island west of Cornwall. Extent of the flooding is over 20,000 acres.

Two completely new towns will be built and a new business district is to be erected for Morrisburg. Plans call for ideally planned communities which allow for the enormous long-term expansion in population expected in this Seaway Valley. Sites for local industry have been zoned in each town.

**Cost To Canada**

It is estimated that the Seaway will cost Canada an approximate $200 millions. Manpower requirements for both the power and navigation facilities are being predicted at 15,000 at the height of construction activity.

Most of the contracts being let provide that Canadian materials and labor shall be used in all cases where possible. The Canadian Seaway Authority, however, is not establishing a central purchasing agency, with buying handled by individual contractors.

It is anticipated that the power works will be in operation by the fall of 1958 and that the 27-ft. Seaway from Montreal to Lake Erie will be open for navigation by the spring of 1959.

Work started last month on the $3.5 million canal and lock project at Iroquois. To employ about 250 men for two years the mile-and-a-half-long new canal calls for 4.4 million cu. yds. of excavation and 270,000 cu. yds. of concrete. The contract was awarded to Pentagon Construction Co., Montreal, and Iroquois Construction Ltd., Toronto, which jointly submitted the lowest of 11 bids.

The Canadian St. Lawrence Seaway Authority will also soon call tenders for the building of its proposed headquarters at Cornwall, Ont., and in Montreal. The Authority has already awarded excavation and dyking contracts in the Lachine section, between the Jacques Cartier and Victoria Bridges to a joint group of companies. Going under the name McNamara-Pigott-Peacock & McQuigge, these comprise McNamara Construction Co., Toronto, Pigott Construction Co., Hamilton, and Peacock & McQuigge Ltd., Toronto. Their contract calls for temporary dyking for dewatering, dry excavation in rock of the navigation channel and embankment dyke construction.

**To Move A Bridge**

Also part of the Seaway development work is a project in the Montreal area of lifting the south spans of the two large bridges crossing the Seaway channel area. There is one small but important bridge job at Iroquois, which is to be undertaken by Dominion Bridge Co. This is a unique contract which calls for the dismantling and transfer from Montreal and re-erection at Iroquois of a steel swing-bridge presently at Lachine.

The Ontario Hydro has already let contracts for two coffer dams on the border spanning Barnhart power development site west of Cornwall for $2,411,080 to a joint group comprising Mannix Ltd., Montreal, and Raymond Concrete Pile Co., Toronto. Steel sheet piling for this job is being provided jointly by Algoma Steel and Bethlehem Steel in the U. S.

As well as the direct construction of the Seaway, the huge project will stimulate much auxiliary building.

Almost all of the ports in the great Lakes and along the new Seaway routes are planning major expansions. A completely new harbor may be built at Windsor, Ont. It is possible that grain elevators will be erected at Seven Islands, Que. Toronto, Hamilton, Montreal Cornwall and many other inland ports are now working on specific expansion plans aimed at enlarging their share of Seaway trade.

# Drive for Comfort Dollars

(Continued from page 50)

customer lives in an area where heating and plumbing codes are enforced he merely encloses a copy of the regulations with a drawing or blueprint of the layout he wants and engineers in the mail-order house do the rest.

If a contractor refuses to install the equipment, the homeowner may do it himself. There's no law that says he can't but he must pass an inspection to have his work approved.

Contractors, however, have been pulling up their socks lately. The smarter ones have built showrooms, are advertising more in newspapers, sponsoring radio shows and some are buying time on television.

They're modernizing their shops, throwing away their overalls and dressing like successful businessmen, painting their trucks and streamlining their accounting system.

Many of them are realizing that whereas the lowest bidder may get an industrial contract, sometimes it's a smile or two that wins a customer. Emphasis is being placed on public relations.

But there's still room for a lot of improvement. Too many contractors are skilled mechanics but unskilled businessmen. And customers are asking for showrooms so they can see and feel what they are buying just as though they were buying a car.

Time payment plans are being used more often, too. Several good ones are available to contractors which can put them on an even footing with department stores now attracting business with promises of "nothing down, many months to pay."

Wholesalers are also victims of the do-it-yourself trend. When manufacturers sell to chains, they do so direct, bypassing the middle man.

At least one wholesaler, Dave Balfour, president, Cronkhite (Canada) Ltd., Calgary, has an answer to this. He's set up Canada's first wholesale plumbing and heating supermarket in Regina.

It looks something like a grocery supermart and works the same way. Contractors pick up items from shelves arranged like supermarkets', pay for them at a cash counter. It's a cash-and-carry-serve-yourself deal. The result: Balfour has cut prices as much as 20%, which gives the smaller contractor a chance to compete with larger firms and other retail outlets.

Co-operative buying was suggested at last year's annual convention of the National Association of Master Plumbers & Heating Contractors but voted down. It's probably not the first time it has been suggested, nor is it likely to be the last time.

### *Air Conditioning*

True air conditioning is slowly gaining popularity with Canadians but it's still too expensive for most of them. On a residential scale it's only the higher-priced homes that have central air-conditioning systems. More moderately priced houses might have one room air conditioner at most.

Office buildings, however, like insurance companies, finance companies and hospitals are asking for air conditioning in larger numbers. Some even use it in their advertisements for stenographers, looking upon air conditioning as something of a "fringe" benefit.

Manufacturers still have to reconcile the cost with the relatively few hot and humid days during Canadian summers.

Restaurants and hotels, on the other hand, are probably the biggest single customer group here. They've found it's a big attraction for the traveling and dining public.

If they don't put in a central cooling system, they usually specify large packaged units for cooling large public rooms.

### *Associations*

Major associations among the mechanical trades are the National Association of Master Plumbers & Heating Contractors of Canada, The National Warm Air Heating & Air Conditioning Association, Canadian Chapter, Oil Heating Association, Canadian Gas Association, and the Corporation of Plumbing and Heating Contractors of the Province of Quebec.

Manufacturers may belong to the Canadian Institute of Plumbing and Heating, which has a wholesales' division, or the Canadian Institute of Stove & Furnace Manufacturers or Institute of Boiler & Radiator Manufacturers.

Generally speaking, all associations have common goals — improvement of the industry as a whole and of individual members. They do this by gathering, interpreting and distributing among their membership information on topics such as prices, labor, materials, government rulings, business trends, improved business management, tariffs, apprenticeship, labor-management relations, marketing, public relations, and advertising.

### *Wages*

Last year plumbers and steamfitters in Vancouver, Windsor, Sarnia and Toronto earned $2.35 an hour, tops for Canada. The scale ranged downward from this figure to $1.40 for Sherbrooke; other major Canadian cities were between these two extremes.

Sheetmetal workers were slightly behind the plumbers in hourly wage rates.

What the future holds no one knows. So far, there have been no indications that union leaders will ask to sit down with master plumbers to talk about wages, but contractors never know when this will happen anyway.

The 51-day plumbers' strike in Montreal late last year resulted in a fatter pay envelope, the hourly rate being boosted from $2.00 to $2.05 with another hike of 5c June 1 of this year plus an additional 2c on Oct. 1.

On the debit side, plumbers lost between $700-$800 apiece winning a 12c-an-hour increase. It will take about four years before the pay boost pays for the wages sacrificed winning it.

### *Apprenticeship*

There's a serious shortage of apprentices in the heating and plumbing trade. Training facilities, both on the job, vocational schools and government trade schools, appear to be adequate but the big problem is to get young men interested enough to join the trade.

Only 50% of the apprentices needed are now learning the trade, according to Jeff Kearn, Windsor, chairman of the apprenticeship committee, NAMPHC. Last year registration figures showed only six pipefitters and 1,576 plumbers in all provinces except Quebec, where apprenticeship is conducted on a different basis.

Lack of enthusiasm among today's young men is explained in part by wages currently offered in other fields.

### *Codes and Standards*

A new standard for plumbing brass, worked out by plumbing brass manufacturers, has been approved by the Canadian Standards Association and took effect Jan. 1. It covers single and double lavatory faucets; straight and angle stops with and without drain; sink and bath faucets; lavatory waste fittings; lavatory traps; sediment and lawn faucets; closet tank float valves; flush valves for low toilet tanks and other items.

The specification was drawn up to provide a recognized measurement of performance and quality thus assuring the consumer the ultimate in health and service requirements. It also will result in certain economies for the plumbing brass industry.

Work on the standard was started two years ago when Canadian manufacturers became alarmed at the poor quality of imported brass which was priced considerably lower than Canadian brass goods.

Their answer was to produce a better product according to a specific standard. Next step is recognition of the standard by major lending agencies so that it can be incorporated in their specifications for building before they will issue any loans.

Ontario's plumbing code is now in its second year; most other provinces either have a code or are working on one. All have roughly the same aims: protection of the health of the people and simplification of requirements with a corresponding reduction of costs to the minimum.


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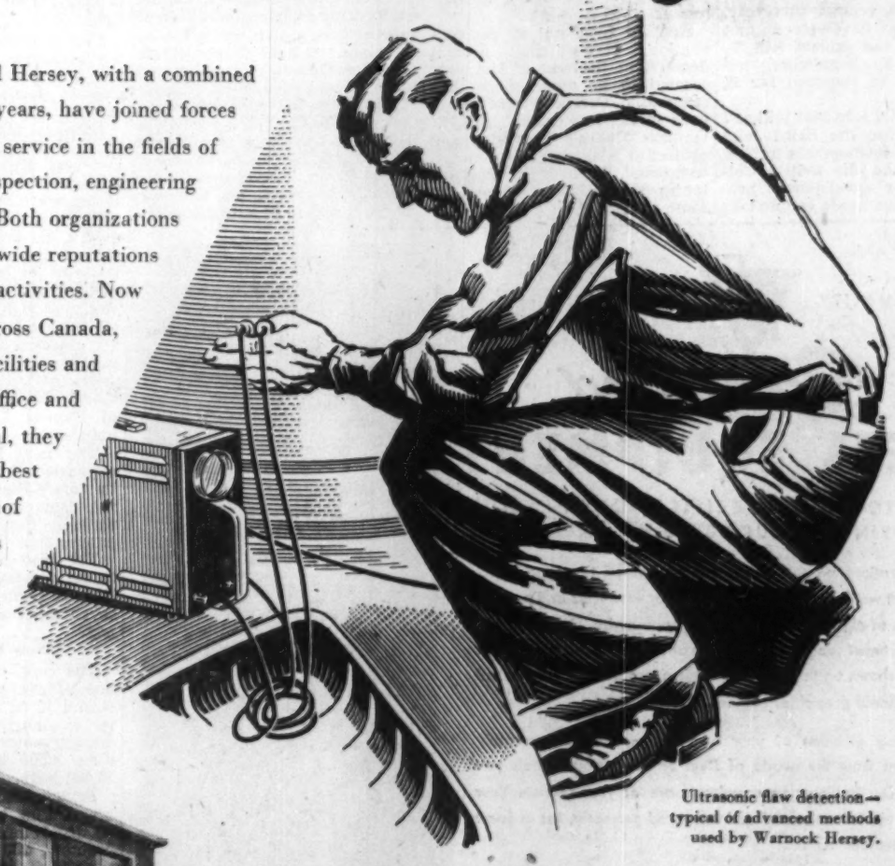

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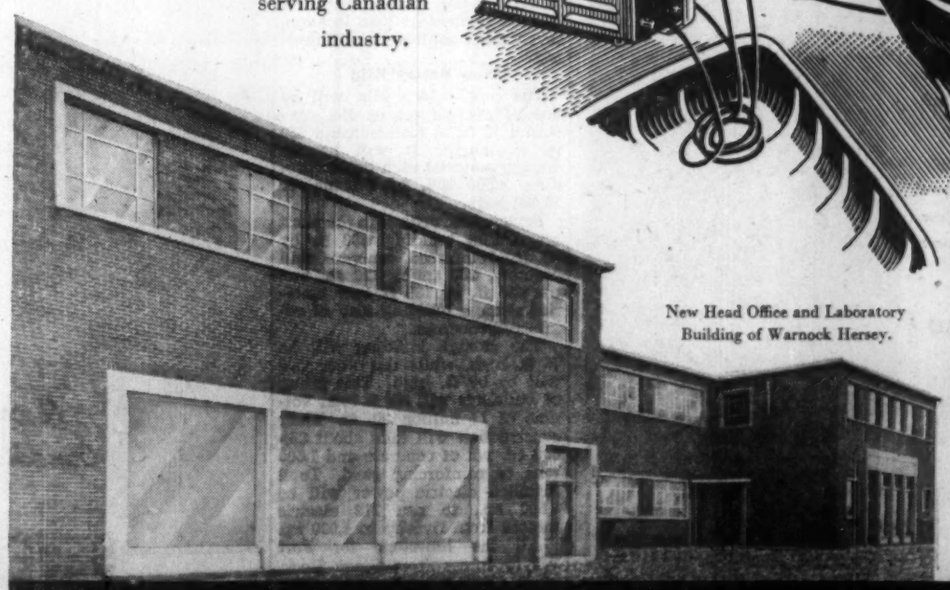

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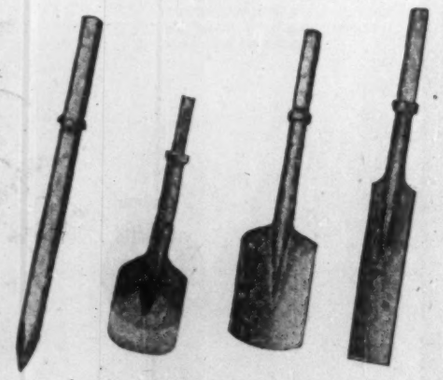

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# Newcomers, Established Firms Will Boost Cement Output

Cement production capacity has doubled since the end of the war, and still the expansion goes ahead. Here's what newcomers to the field in Canada are doing:

— A Belgian firm is going to build a new plant in Alberta.

— An American firm plans one in B. C.

— Another American firm has acquired a plant and quarry site in B. C. for a possible cement plant.

— Near Quebec City, a Swiss-owned company has recently put a new plant in production.

Canada Cement Co., which remains the industry's giant, expects to make capital expenditures of $10 millions in 1955. The major projects will be completion of a second plant at Fort Whyte, Man., and a new grinding plant at Edmonton. Expansions in 1954 by Canada Cement came to about $9.4 millions.

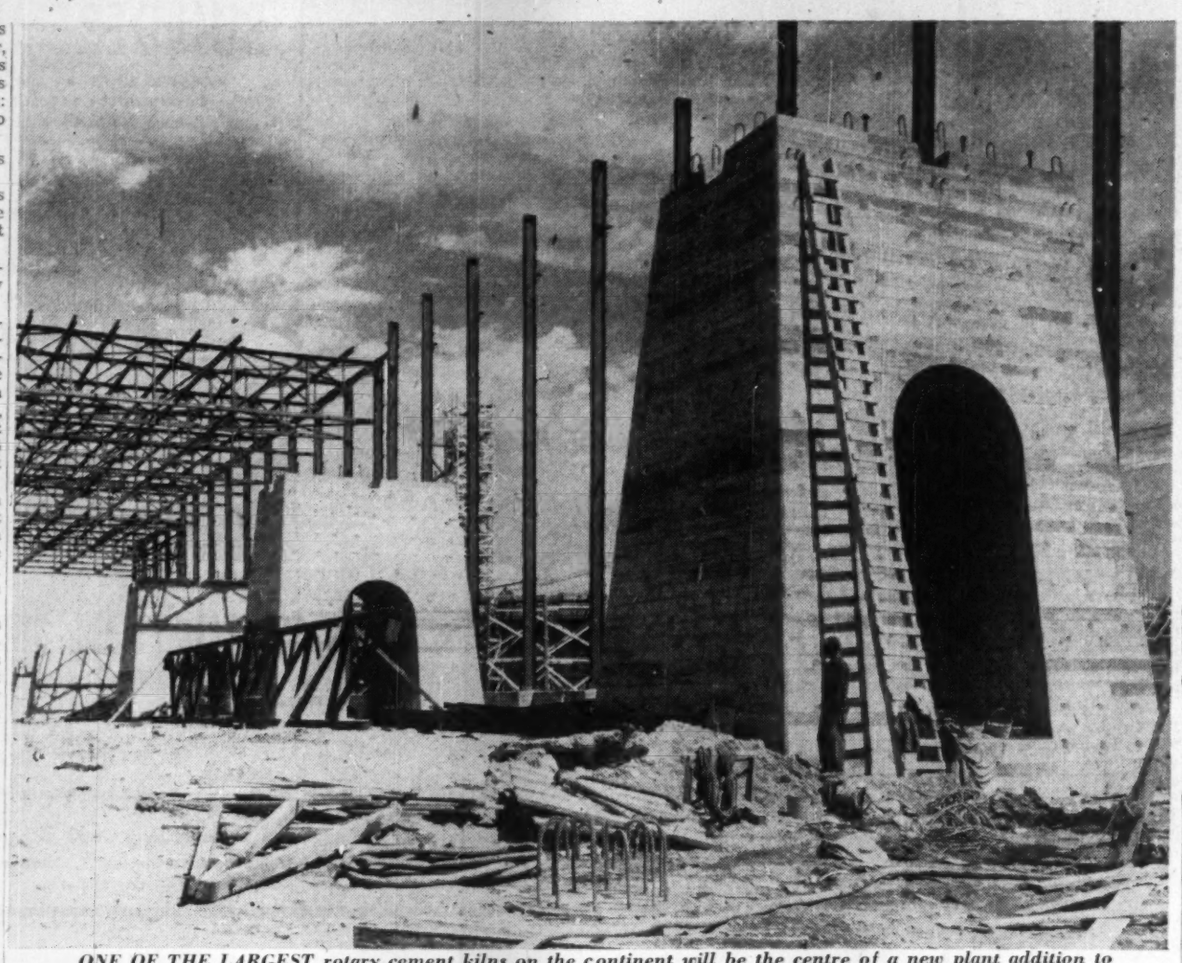
Total cement production in Canada was up about 1% last year, on 1953, it appears from 11-month figures. Output in the 11 months was 21 million bbl. compared with 14 million bbl. in 1948.

Over-all demand for cement this year has been predicted as roughly equal to last year. Shipments of Canada Cement Co. in the last month of 1954 and in January were below the same two months a year earlier, though.

A region where a great long-term increase in cement demand and production has been forecast is Western Canada.

European interests building a cement plant in Alberta cite the great rise in cement consumption in Alberta and Saskatchewan. The figure rose from 1.3 million bbl. to 3.5 million bbl. from 1946 to 1953, an increase of 170% compared with an over-all Canada gain of over 100%. There is only one plant in the two provinces, at Exshaw, Alta., and annual shortages occur during the peak construction season. The deficit in supply has been met by imports.

The new plant is based on a "conservative" estimate that demand will reach over 4.8 million bbl. by 1961.



*ONE OF THE LARGEST rotary cement kilns on the continent will be the centre of a new plant addition to the Canada Cement Co. plant at Fort Whyte, Man. Five of these giant piers support the kiln, which is 12 ft. in diameter and 450 ft. in length. It will process enough material each day to produce 4,500 bbl. of cement, or 18,000 bags.*

Scheduled for production in mid-1956, the new plant will have an annual capacity of 800,000 bbl., will cost about $7 millions.

The owner, Inland Cement Co., will be controlled by Sogemines Ltd., of Montreal. Preferred shares are also being offered to the Canadian public, and another bloc of preferred shares has been placed privately in Canada and Belgium. These preferred shares amount to $6 millions (with about $2 millions of common stock privately issued).

Major shareholders of Sogemines Ltd. are a group of Belgian companies led by Societe Generale de Belgique.

The oil industry will create a special market for Inland, which will produce oil well cement. Other special type premium cements it will make include cement for construction in acid and sulphate water, and early high strength cement.

Cimenteries & Briqueteries Reunies, S.A., of Brussels will handle engineering design, supervision of construction, initial operation of the plant. "C.B.R." is an affiliate of Societe Generale des Mines and has a cement production capacity of 12 million bbl. in Belgium.

A new 700,000 bbl. a year plant at Chilliwack, B.C., is proposed by C. F. McDougall Associates of Dallas, Texas. Survey crews were recently at work on the site. There is said to be sufficient mineral deposit to keep a plant going for years.

An official of the B. C. Cement Co. has predicted cement will be in oversupply if the Texas company builds the new plant at Chilliwack. B. C. Cement's capacity was not all used last year, although it has an expansion program.

The Ideal Cement Co., of Denver, Colorado, has acquired an industrial site at Vancouver and options on nearby limestone properties. It has stated that it has in view establishment of a cement plant.

The same expansion of Alberta and other western cement demand that is attracting the newcomers has been the basis of expansion of Canada Cement's Exshaw plant. Production there is nearly four times the prewar figure.

New grinding plant at Edmonton will serve the Exshaw plant, and will also be capable of expansion itself, later, into a full cement plant.

Exshaw, which ships entirely by rail, sells throughout Alberta and into British Columbia and Saskatchewan. Its cement goes as far north as cement is used.

The huge growth of the oil industry has created a market for cement for cementing oil wells. Demand for bulk cement has increased so much that it now amounts to almost one third of all cement shipments. Practically all production is standard Portland cement, but some high-early-strength Portland cement is produced. Exshaw is the only kiln of Canada Cement fired with natural gas.

The new Fort Whyte, Man., expansion of Canada Cement will be "more than adequate to meet the demand in western Canada for some time to come," the company states.

The new plant is in addition to an existing plant owned by Canada Cement at that location, seven miles southwest of Winnipeg.

**New Rotary Kiln**

The new rotary kiln will be one of the largest on the continent, 12 ft. in diameter and 450 ft. in length. It will process enough material each day to produce 4,500 bbl. of cement, or 18,000 bags.

Principal structures in the plant are a kiln building, 600 ft. by 90 ft., reinforced concrete mill building, 200 ft. by 120 ft., and the 420 ft. by 130 ft. raw material storage building also of reinforced concrete.

The storage building will be 75 ft. high, while the other two will be 50 ft. high. This group of buildings will fill a total volume of 11 million cu. ft. Their construction will take about 35,000 cu. yd. of concrete and 1,500 tons of reinforcing steel. Total installed electric power will be 8,600 hp., to run 112 electric motors from five hp to 1,000 hp.

All the limestone for Fort Whyte comes from Steep Rock, Man., about 150 miles from Winnipeg. A special "roll-over" unloader can turn over about 60 or more cars of raw material a day. It just pours the material out without handling.

The new building and machinery are so heavy that concrete caissons extending to bed rock 60 ft. below the ground were needed.

**St. Lawrence Cement Co.**

The Swiss group who have built a new 1.5 million bbl. plant five miles from Quebec city, at a cost of $11 millions, made faster time than expected. They opened the plant late last year, though originally scheduled for completion in 1956.

This plant increases Canadian cement production by 7%, according to the company. It represents a merging of European ideas and Canadian methods.

The 50,000 tons of dust which will go up the chimney each year will be electrostatically precipitated for reintroduction to the kiln with pulverized coal from the discharge end, where it is blown in with the coal and smelted in the fire.

**New Ideas**

Material handling will be cut to a minimum by locating cement silos on top of the packing house. Cement can be mixed and conveyed under gravity at about two thirds the usual operating costs.

The rotary kiln will have one of the highest outputs on the American continent, it is stated.

The packing station loads cement into railroad cars on one side and trucks on the other. Shipments are made in bulk or in bags. Three and a half rail freight cars can be loaded in an hour. Bulk shipments can be loaded five times as fast.

The system used to support the silos is of interest not only to cement plants but also to other plants storing powdered or granular products as well. Each silo weighs 1,500 tons when full. It rests on three columns, subjecting silo walls to considerable torsion. A high circular wall is therefore used as a beam between columns.

The plant incorporates many new ideas of interest to engineers in more than one industry.

Backer of St. Lawrence Cement Co. is Cement Works Holderbank A.G., of Switzerland. The Swiss interests have cement plants in several European and African countries. Eight of the original directors of St. Lawrence Cement were Swiss, one Italian.

Ciment Quebec Inc. improved its plant in 1954 by installing a new 8 ft. by 41 ft. raw Compeb mill, a 25-ft. wide by 200-ft. long slurry basin with a F. L. Smidth traveling agitator, another bagger and other equipment. Future plans call for a new 8 ft. by 41 ft. clinker Compeb mill, two more baggers, and a bank of cement storage silos.

**Canada's Largest**

Canada Cement will complete an expanded clinker grinding plant at Belleville, Ont., this year, and also new enlarged packing and shipping facilities at Montreal East.

Montreal East is Canada's largest cement plant.

The company has been working on a system to utilize dust that used to go up the chimneys

(Continued on page 54)

## '55 Cement Supply

"It seems probable to me that all demand will be met, and there will be no serious difficulties from Newfoundland to the Rockies," a Canada Cement Co. spokesman told the recent convention of the National Concrete Products Association.

It is Canada Cement's expectation that the general level of ordinary business will be slightly higher than last year, D. O. Robinson, the company's chief engineer, said.

It is not likely that the St. Lawrence Seaway project will require much cement this year, but the power development that accompanies the project will be under way by September, and cement will be required for it, he said.

Other special jobs that will call for cement are the Saint John River power development in New Brunswick and the British Columbia power development program. Defense needs couldn't be easily forecast, but the company must be able to take care of them.

Jack Pearce of Alfred Rogers Ltd., which sells largely in Ontario and represents St. Mary's Cement Co., was more pessimistic. His company has expanded considerably, and will continue to do so to the best of its ability, he said. But he felt cement will be "a little on the tight side." He advised concrete products manufacturers to keep in touch with the cement companies, and to make use of the many facilities they provide for users of their products.

Another firm, not at the convention, states that cement demand at the end of last year seemed to be down more than seasonally. Defense projects have been taking less cement, and the Ontario Hydro's redevelopment project at Niagara Falls is almost completed. It has been a big factor in heavy cement demand for some time.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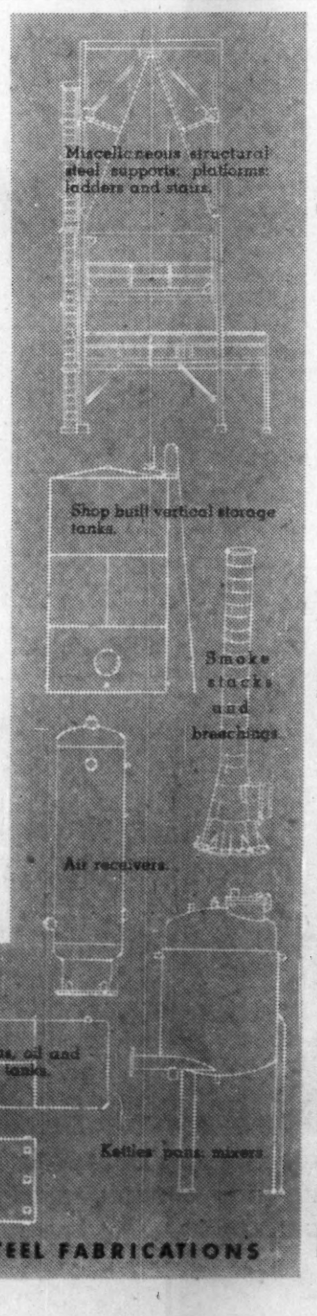


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# Getting Value for the Church Dollar

## *United Church Minister Tells Of Problems*

By REV. A. C. FORREST
First United Church,
Port Credit, Ont.

Canada and the United States are experiencing a boom in church building, and while some lovely new structures are going up to the glory of God and the credit of the community, there are also some monstrosities.

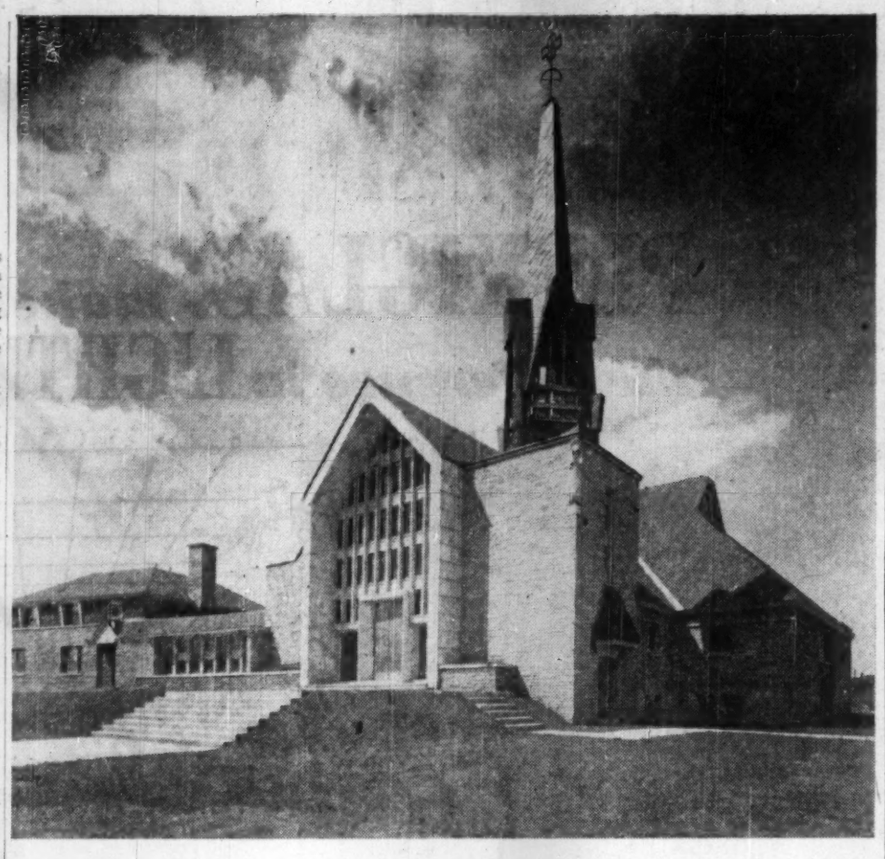
One of the worst things about an ugly church is that it usually costs so much more than an attractive church. And one of the tragic things about a well-meaning building committee trying to put up a church and save an architect's fees is that in the end they wind up wasting several times the price of an architect's fee.

I have no relatives or friends in the architectural business either, but I agree with the emphatic words of Dr. Kenneth Glazier who told the East Presbytery of the Presbyterian Church in Toronto the other day why the Presbyterian Church in future isn't going to give any assistance to churches whose plans are not drawn up by an architect.

For all building committees it is rule number one, I'd no more think of planning to build a church without an architect's advice than I would think of allowing an amateur to prescribe drugs or surgery for my family.

Dr. Glazier was reported as saying this:

"I can show you buildings in Toronto that are a disgrace to the Presbyterian Church . . . I could take you to a church in this city that seats 200 people and cost $120,000 to build. It was built without the services of an architect. There is a church in this presbytery also seating 200 and built from an architect's plans, which cost $45,000 . . . ."



*CHURCH BUILT at Montreal for parish of St-Emil combines traditional and modern architectural values; designed by Robillard, Jette, Baudouin of Montreal.*

### Don't Build Piecemeal

The second rule in church building—and any good architect will confirm this—is that even though only one unit of the structure is erected at a time, the whole plan should be at least roughed in before the first brick is laid. There is nothing wrong with a new congregation using the sanctuary for Sunday School and midweek meetings, or with people worshipping in the Sunday School auditorium for a few years, until finances make possible the second step. But there is a lot wrong with having to make expensive alterations or change the basic structural design because the planners didn't think of something which they should have thought about.

I know a church which recently had to spend several thousand dollars making major alterations because ample room was not provided for the chambers necessary for the pipes of the organ.

Rule number three, which maybe should be rule number one, is that no church should start to build without ample grounds for its setting, parking, and future development. It seems a shame to see a church worth half a million dollars jammed in between other buildings, when a few feet of grass would turn it into a thing of beauty. Grounds to a church are like frames to good pictures.

### Allow For Parking

Many municipalities now insist on off-street parking with a ratio of one parking space for each six sittings. In other words a church with a 600 seating capacity would have to have off-street parking for 100 cars.

Some churches right now are having to abandon their sites and buildings entirely, for their membership has grown and they have no room to expand. As well as having to give up a building which is expensive to replace, they have to buy land at a high figure, when they could have secured ample ground for little expense when they first built.

There are many other rules as well, but a good architect will know them all.

Fortunately for the future the majority of the churches in the larger denominations will be protected from their errors by church officials and their rules. Anglican and Roman Catholic Churches have a sense of order and tradition which normally protects them from such errors. Presbyterian and United Churches have been tightening up, and in most cases plans have to be approved by presbyteries before permission to build is granted.

After a committee has worked on its own for a long time, however, it is a very chilling experience to have its plans rejected by a presbytery committee, or some other ecclesiastical HQ. It is so much wiser to secure wise counsel from the very start from those trained in the business.

# Tunnel Under St. Lawrence To Ease Montreal Traffic?

A $30 millions causeway-tunnel under the St. Lawrence to cure Montreal area's worst traffic headaches — that's the proposal of St. Lawrence Tunnel Co.

It would link the City of Montreal and the metropolitan area on the north shore, starting from Montreal and Verdun border at the corner of Wellington Street and the "tail race."

From there, a causeway would go out to and cross St. Paul's or Nun's Island which is 4,900 ft. wide at this point. Then a 7,900 ft. tunnel to the South Shore — slightly shorter than Victoria Bridge — would take over, eight feet below the river bottom till near Seaway "dike," about 25 ft. below after that. It would terminate on South Shore in a vast clover leaf near the town of Preville, adjoining Taschereau Boulevard.

These are among the advantages claimed for the project:

—It would save $20 millions on expenditures now contemplated to relieve traffic congestion at Harbour and Victoria Bridges.

—It would link with all throughways of Metropolitan Boulevard through St. Remi, Church, Atwater. The central part of the city would have rapid communication along Wellington, with the causeway entrance less than eight minutes easy driving from Place d'Armes.

—It would provide safe communication with the mainland in wartime, provide a vast bombing-shelter if necessary.

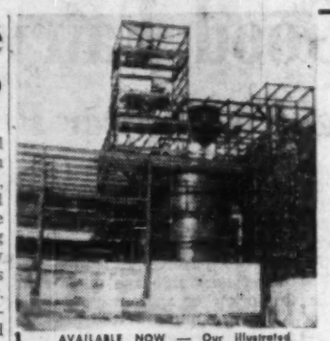
—It would provide a four-lane thoroughfare about as wide as Holland Tunnel.

Other claims are that the project would avoid costly expropriation of a downtown property, meet the needs of municipalities and residents in the West End, assist industrial developments arising from the Seaway.

### Plan For Financing

The average grade of the tunnel would be about 2% with a 4½% grade coming out of the tunnel. Excavation would be by "open cut," estimated to reduce costs at least 50%. Concrete over the tunnel would be thick enough to hold an additional 40 to 60 ft. of water should future Seaway or other development in the area require.

Financing, it is suggested, would be divided between private funds and federal, provincial and municipal government subscriptions. It would call for an investment of private funds at from 5½% to 7% interest. About $15 to $20 million dollars would be required from this source, and first mortgage bonds to be retired in 25 years would be issued.

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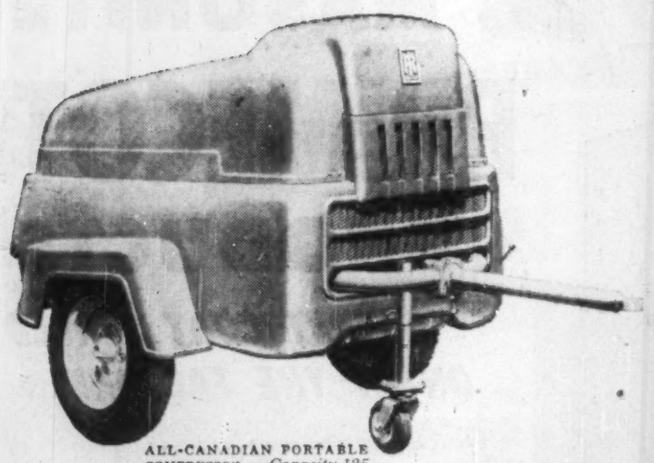

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# Oil Is Good Fairy To Construction

## *It Has Brought A Postwar Present Worth Over $300 Mill.*

The revolutionary changes in refining techniques since end of the war, the tremendous growth in petroleum products demand has meant an unprecedented refinery construction program in this country.

Every major—and most of the smaller refiners—has participated in the postwar construction program that has doubled total refining capacity in this country to around 560,000 b/d. This continuing program has represented a capital expenditure of well over $300 millions.

In about the same period a new sister industry — almost entirely dependent on this postwar refinery program—was being born in this country; the petrochemical industry. Operating on the stream of refinery gases made available from the new and expanded refineries some $300 millions has already been spent on some 20 petrochemical operations.

Both building programs are still under way. Together, they are helping change the face of industry and trade in this country. Every one of the refinery and petrochemical projects have been highly complicated engineering and construction jobs, practically every one incorporating one or more unique features. They have first been laid down in the form of process specifications painstakingly worked out by chemical engineers.

Majority of these special jobs has been done by newly setup Canadian divisions of long-established U. S. engineering firms which have specialized in this work. In practically every case the actual construction phases of the work have been sublet to Canadian contractors. The engineering experts work closely with the oil — or petrochemical companies and usually remain on the job for many months after building completion to help iron out "bugs" and get the plant operating smoothly.

**$80-$100 Million Program**

One of the most remarkable chapters in the postwar growth of the Canadian petroleum industry has been the refiners' ability to turn out the petroleum products required by today's rapidly changing markets. For instance, from the standpoint of today's motor fuel requirements, practically every oil refinery operating in Canada at the end of the war was outdated. Not one of them could turn out the high octane gasolines necessary for efficient operation of today's auto engines.

Highlight of the postwar wave of refinery building has been the widescale installation of catalytic cracking units. Every major oil firm has had to install these units to remain competitive.

They have been the best postwar answer to demand for higher and higher gasoline yields from the barrel of crude as well as the constant upgrading in gasoline quality. The trend toward higher compression automobile engines has meant a constantly rising octane trend in motor fuels.

There are three basic units to the average cat-cracker; a furnace to heat oil, a reactor chamber where the process takes place and a regenerator structure where the catalyst — a product which speeds up the refining action but does not take part in the reaction itself—is purified and then rerouted back into the oil stream to work over again.

But the limits of the postwar cat crackers are now well within sight and already a second major refinery construction program has been launched in Canada and U. S. to enable refiners to keep just one step ahead of the auto manufacturers.

The next big refinery installation is the catalytic reformer. An estimated $500 millions is being spent in U. S. this year on this program. Some four "cat" reformers are now under construction or planned in Canada; two have been operating at Sarnia, Ont., from one to three years; one at Montreal for several months. Ultimately total expenditures on this program—including first two Canadian units already operating at Sarnia—is expected to run around $80-$100 millions.

**Major Material Is Steel**

The big refinery problem—as far as motor fuel is concerned—has been to build into today's gasoline special explosion-resisting or "antiknock" qualities. Because the limit has just about been reached in use of "cat crackers'" refiners are having to swing increasingly to "cat" reformers which enable a still higher quality fuel to be produced for today's high compression engines.

The reformers operate chiefly on straight-run gasoline. In the upgrading of this to higher octane levels there will likely be a loss of yield of 12 to 15%.

These postwar advances have provided refiners with a much greater degree of flexibility in their operations. The type of units the refiner decides to install varies considerably depending on such factors as type of crude to be treated, break-down of market to be supplied, transportation problems, etc.

Since practically all the processes are carried on in steel pipes and vessels and all storage and most transportation takes place in steel tanks and pipes respectively, steel is by far the major construction material in the modern refinery. Taking a modern, 20,000 bbls.-a-day refinery (such as that built by Stone & Webster Canada Ltd. at Sarnia for Canadian Oil Cos.) requirements of construction materials runs:

—About 21,600 tons of steel. This includes structural, reinforcing steel, fractionating towers, drums, tanks, piping and miscellaneous.

—Some 150 miles of pipe, most of it above ground. This includes transportation pipe from dock to storage, from storage through pumps to processing equipment and then back to storage and ultimately from storage again to loading racks or into petroleum products pipelines.

—Some 14,000 cu. yds. of cement mainly for foundations for processing buildings and equipment.

—Some 23,000 tons of crushed stone for roadbeds.

**Corrosion Problem**

Fuel consumption in a refinery of this size is about the same as the total requirements of a city of 66,000 people. Electricity requirements equal that of a modern city of some 22,000 people.

Cooling water requirements used in processing, equal the needs of a city of some 280,000 people.

By far the greatest engineering problems in any refinery is overcoming corrosion in equipment. Since majority of crudes has some sulphur, corrosion could be rapid if not guarded against. This calls for careful engineering, use of expensive alloys particularly in major processing units. For instance chrome steel is usually used in furnaces and stainless and other alloys in reacting towers.

The corrosion problem is also one of the chief headaches for the petrochemical engineer. Here chief raw materials are usually petroleum hydrocarbons contained in gas streams.

Sarnia, Montreal and Edmonton have become Canada's refining and petrochemical centres. The 645-mile, 30-in. extension of the Interprovincial pipeline from Head-of-the-Lakes to Sarnia, assuring year-around supplies of Western Canadian crude oil, is expected to keep Sarnia one of the fastest growing refining centres in Canada. Montreal, on the end of the Portland, Me.—Montreal oil pipeline is also expanding rapidly as a refining centre and is still the No. 1 refining area.

Completion in fall of 1953 of the 718-mile Trans Mountain oil pipeline to Vancouver has resulted in a large-scale refinery construction program at that city with four companies participating in plant modernization and expansion programs.

**Big Jobs in Hand**

Here is a run-down of chief refinery construction jobs in Canada:

**Canadian Petrofina** — a newly created integrated oil company—is building a $20 million refinery in Montreal. To process premium and regular gasolines, kerosene and jet fuels, stove oil, diesel oil, heavy fuel oil and propane, the new refinery is expected to come on stream next fall.

Process units will include a primary distillation unit, an atmospheric distillation unit, a catalytic cracking unit to produce maximum yield of valuable products from the crude, a catalytic reforming unit for production of very high octane gasoline, a catalytic polymerization and alkylation unit which will produce high quality gasoline from byproduct gases, a catalytic desulphurization unit for high quality distillates and light fuel oils and a fluid coking unit to process residual oils. Plant is being constructed by the Canadian Kellogg Co., and the Lummus Co. of Canada.

**British American Oil Co.** is currently constructing two catalytic reformers — one at the Montreal East refinery and the other at the Calgary refinery. Atlantic Refining Co. in U. S. has licensed these two cat reformers. The Montreal unit—to be completed late this year—is a 13,000 b/d unit and will be built by Lummus Co. of Canada. The Calgary plant is a 2,000 b/d unit and is expected on stream shortly.

The company's fluid catalytic cracking unit, begun in 1953 at Clarkson, Ont., was completed last July.

**Imperial Oil Ltd.** has a $25 million project to replace practically all of the existing refinery of Imperial Oil at Halifax with modern equipment scheduled for completion April, 1956. A contract for a good part of the modern refining equipment has been awarded to Foster Wheeler Ltd., St. Catharines, Ont.

The new plant will have a daily capacity of 41,625 bbls., placing it among the largest in Canada. Foster Wheeler's portion of the work done will include installation of a utility plant and processing equipment that will include one of the largest catalytic cracking units in Canada. Brookfield Construction Co., Halifax, has been awarded a contract for construction of the new technical and administration building.

**McColl-Frontenac Oil Co.** — Capacity is being increased at the Edmonton plant from 7,000 to 11,000 b/d. A catalytic reforming unit has been installed at the Montreal East refinery.

**North Star Oil**—A new catalytic cracking refinery of 8,000 b/d crude capacity, estimated to cost about $7 million, is being built on a 173-acre site in St. Boniface and completed later this year.

**Husky Oil & Refining Co.** will build two catalytic reformers, one at Moose Jaw and one at Fort William, both of 1,000 b/d capacity.

**Royalite Oil Co.'s** new 5,000 b/d refinery near Kamloops, B.C., is now operating.

**Sun Oil Co.'s** first Canadian refinery came on stream at Sarnia in late 1953.

Two new chemical plants soon to go up in this country will put the Canadian petroleum refining industry a long step forward in its current self-sufficiency drive.

**Davison Chemical Co.** — a wholly owned Canadian subsidiary of Davison Chemical Co. division of W. R. Grace & Co. (U. S.)—will start work immediately at Valleyfield, Que. on the first Canadian plant to produce synthetic fluid petroleum cracking catalysts. The new $6 million plant will serve Canadian refineries from Halifax to Vancouver.

Engineering and design plans have been prepared by the Badger division of Stone & Webster Engineering Corp. Up until now all petroleum cracking catalysts — both synthetic and natural — have been imported from U. S.

**Ethyl Corp. of Canada** — Another major project in Canada's petrochemical expansion program will take place in Sarnia's Chemical Valley with construction of a $10-$12 million plant for first domestic production of anti-knock compounds for gasoline. Chief product will be tetraethyl lead, all of which is currently imported from U. S. at an annual rate of around 18 million lb. representing an import bill of some $11 millions annually.

The new plant which is expected to be in operation early in 1956 will employ about 150 people and will incorporate the latest improvements proven up in parent company's two U. S. plants at Baton Rouge and Houston.

Chief raw material requirement —pig lead—is expected to be purchased from domestic producers. Other requirements such as byproduct gases of the refining industry, will be available in Sarnia area.

# New Plants and Expansion To Boost Cement Output

(Continued from page 52)

by returning it to the kilns. This would make for an appreciable economy in materials. The dust is now precipitated electrostatically from all six kilns, but was being returned to only one kiln recently. Loss of dust from the six kilns used to amount to 300 tons a day.

Two enlargement and modernization programs at Belleville since the end of the war have made that plant Canada Cement's second largest. It is the first of the company's plants to produce masonry cement. About 30% of its production is shipped by bulk cement vessel to Toronto and Windsor. All dust from the kilns is returned to kiln.

An interesting development last year was the entry into Canada of one of Britain's largest engineering organizations, with plans to manufacture Trief cement from slag piles at steel mills. The company is Mitchell Engineering Group Foss of Canada Ltd. A spokesman expressed interest in Seaway work.

The company claims the Trief process produces cement superior in some ways to Portland cement for use in large quantities. It does not require cooling arrangements necessary during hardening of Portland cement, and does not have free lime that is said to make for porosity later in the life of concrete.

Granulated slag is ground wet in a ball or tube mill. The resultant slurry is added directly to the concrete mix which includes a small proportion of Portland cement. The Trief product can also be dried and marketed in bags.

The Trief process is said to give great resistance to sharp alterations of frost and to thaw better, which would be an advantage in the Canadian climate. It also is said to have greater resistance to water and atmospheric attacks, to be more workable and easily placed, to undergo less shrinkage.

It costs more to build or enlarge a cement plant in Canada than is generally the case in the U. S. The average for new plant building is about $10 per barrel of annual capacity, as of recent date. The annual cost per barrel in Canada Cement expansions during the postwar period has been nearly $7 per barrel. Most of this increased capacity was in existing plants that were modern already.

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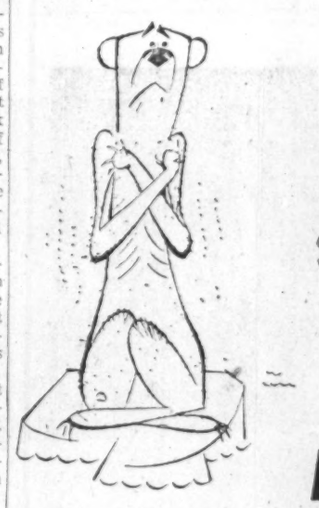

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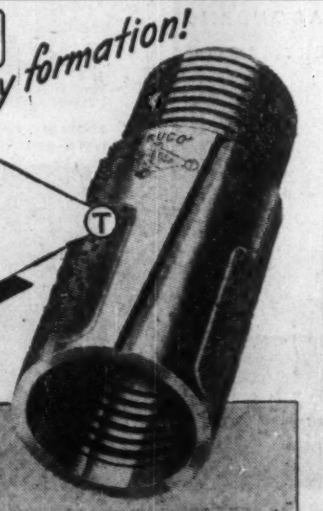

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# The Financial Post

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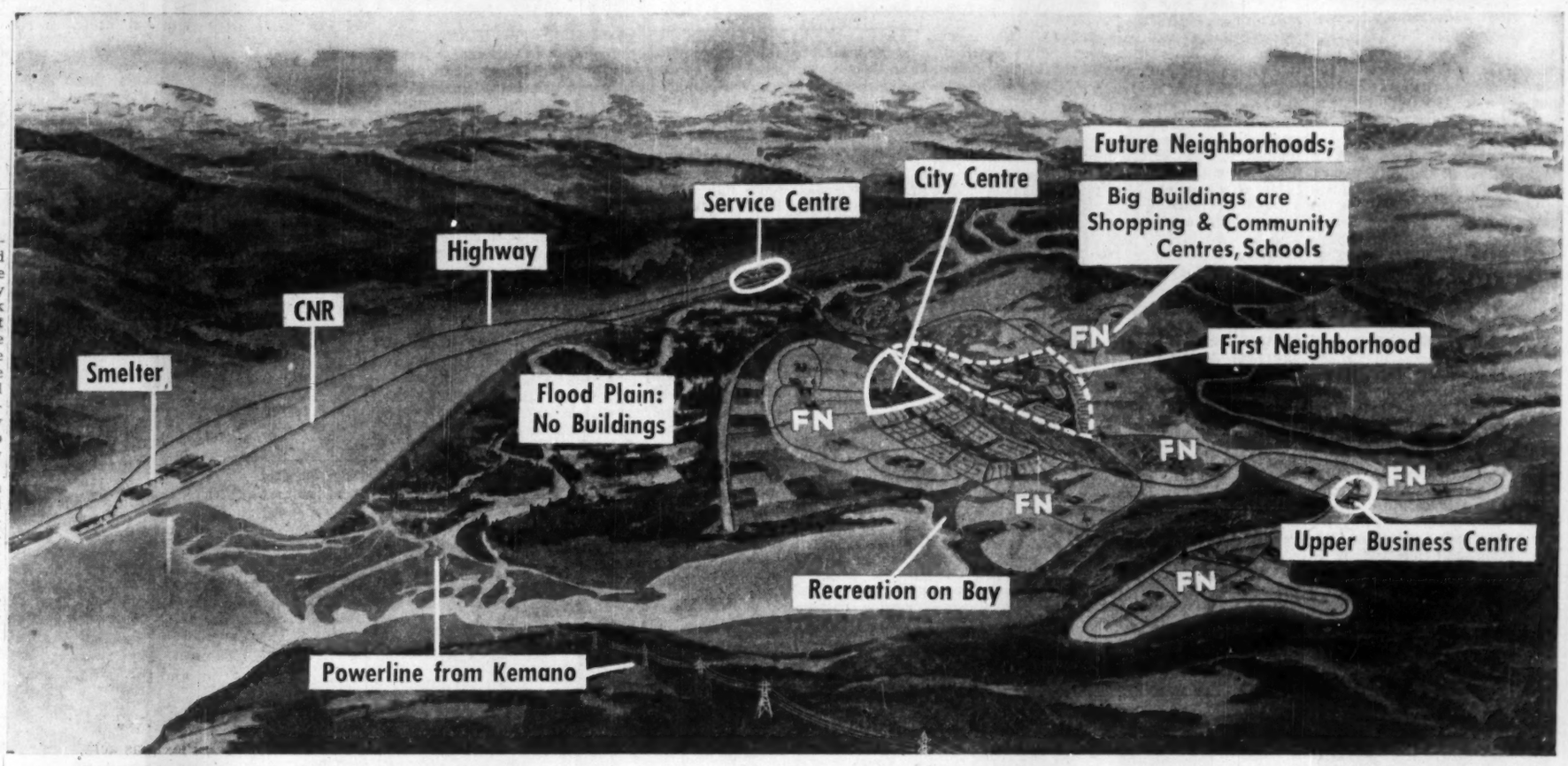
# How They Planned a New Town in the North

## *Planners' Dreams, Construction Boom On Kitimat Site*




Kitimat is going up.

Already the Northern B. C. community has a population of about 4,000 and 500 completed permanent dwellings.

The shopping centre in the first neighborhood is now operating full tilt with a supermarket and nearly 20 other stores. A new hotel is just about complete.

While the engineers get ready to put about 1,000 men to work on expanding Aluminum Co. of Canada's refinery, housebuilders are planning to start another 500 homes and more commercial space.

They are not only helping construct what is probably Canada's fastest growing community, but they are assisting in an experiment that is being watched by town planners, architects and others all over the world.

For the mountain-surrounded city-to-be near the wooded shore of the mouth of the Kitimat River will have brand new features and variations on the latest in town planning.

It will have:

**—A city centre.** All the shopping of a downtown area, and the buildings of Government and community culture. Stores will be grouped in common buildings, somewhat like a shopping centre. Lawns and parklike surroundings will front the stores.

**—A service centre.** A bold new concept, tried for the first time at Kitimat. All the "dirty" and "working" parts of town will be segregated, about a mile and a half from downtown and across the river. Railway facilities, warehousing, contractors' yards, lumber yards, automotive repairs and showrooms, will be all in one district. So will all the heavy repair facilities, laundries, milk plants, bakers. Light industry that won't need port location will be there too. Eating places to serve people who work in the service centre will be there. And so will some retail outlets, linked to repair or other service or heavy lines — for instance, the auto salesroom or the building supply showroom.

**—A new adaptation** of the idea of the neighborhood. Kitimat will have both neighborhoods and subneighborhoods. It will all be fitted to the peculiar, uneven topography of the difficult townsite. Streets take in to account the wind and the drifting snow of winter in the directions in which they wind.

**—A combination of greenbelt** and city living but with compactness.

A large number of consultants and experts in various fields helped lay the groundwork for what is being built, under the coordination of town planning consultants Albert Mayer and Julian Whittlesey of New York, retained by Aluminum Co. of Canada.

### City Centre Plan

The city centre will be somewhat like a big shopping centre. Stores will be in continuous blocks, facing each other across pedestrian malls. Parking will be behind the stores.

Malls will also lead out to streeets and bus stops.

At the entrance points, there will be prominent buildings facing outwards. In this respect, the centre differs from shopping centres, which don't usually have anything facing outwards when they are organized on this mall plan.

But the centre is not just for shopping. It is the cultural and governmental hub of the city as well.

An auditorium, museum, public library, the municipal hall and federal and provincial offices will make up a "civic centre at one corner of the city centre.

Putting the public library right downtown in a prime location is intended to make it easy for the public to drop in and borrow books.

Similarly, it was decided that the health centre hospital should be close to the city centre. The trend has been to put hospitals in quieter locations. But the Kitimat planners considered that the hospital and other health facilities including doctor's offices should be together, and should be close to the shopping district. They term the health centre a "sales proposition" — if the public is downtown, they will find it easy to combine a visit for a health check-up with shopping.

One thing is in the centre that wouldn't be if the plan were a rigid, mechanical affair. That is the bus garage and maintenance centre. It would belong out with the railroad station, warehouses, automotive buildings, private garages, and the like in the service centre. But a transportation expert advised that that going across the river would mean a dead "back haul" of six or seven miles a day per bus.

So the bus garage and maintenance centre will be consolidated with the bus depot right in the city centre.

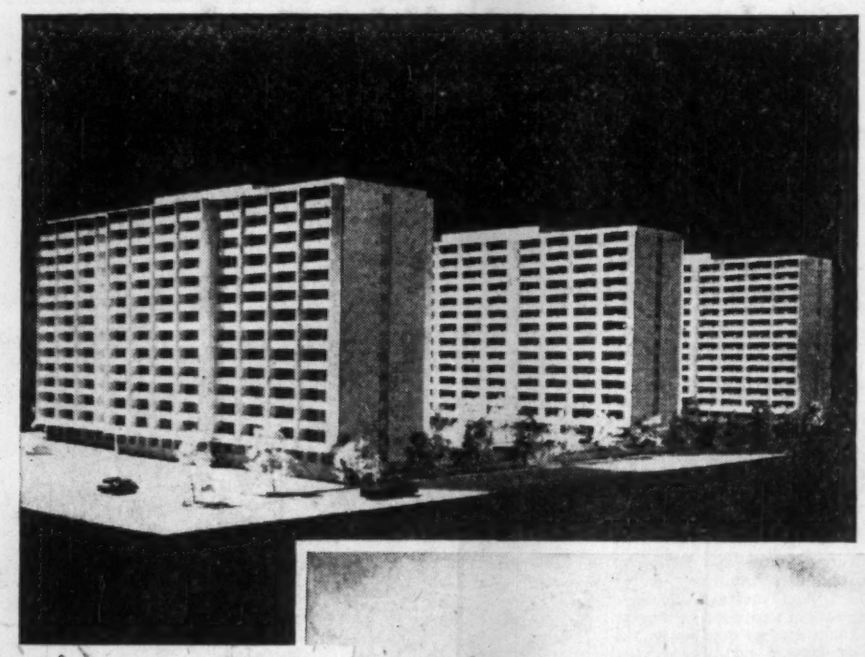
The service centre is also something like a shopping centre in principle, but is not for shopping. It puts in one place, away from the rest of the town, the land uses that can drag down other properties around them, in time.

The centre is itself zoned into seven major classifications — service industry, commercial, railway, warehousing, automotive, public works, independent industry.

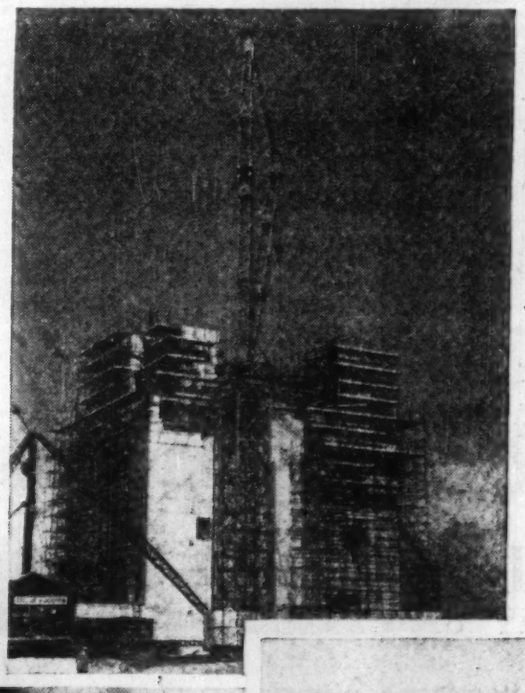
Each of these uses will be able to expand later without having to skip past some other use. Each use will be a consolidated development even after Kitimat has grown to its full size.

The whole service is laid out with the idea of simplicity and directness of traffic circulation. Rail sidings are adequate for industry, but spurs don't go deeply

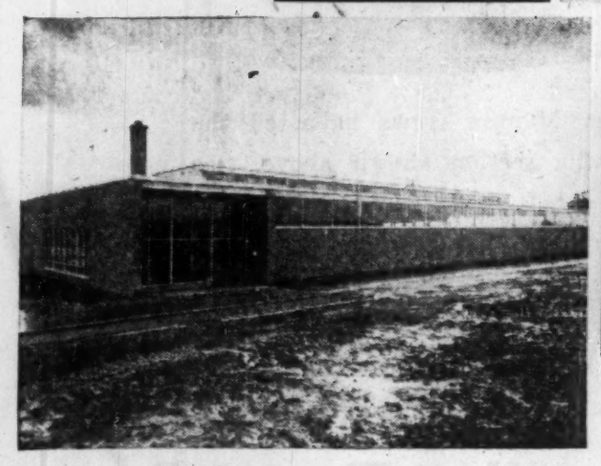
(Continued on page 59)

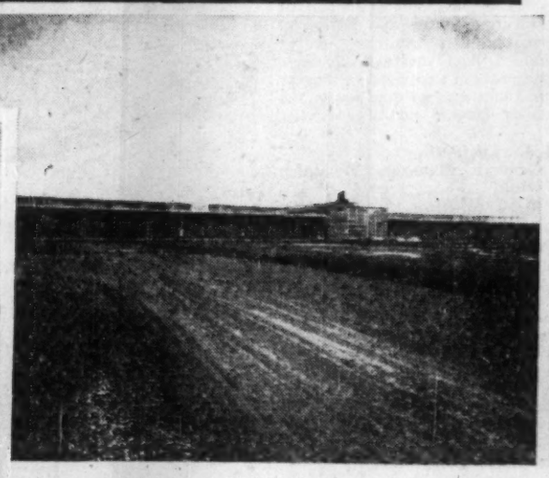
*City Park Apartments, Toronto, now under construction for Hubert Buildings Ltd.*
ARCHITECT: Mr. Peter Capsari.



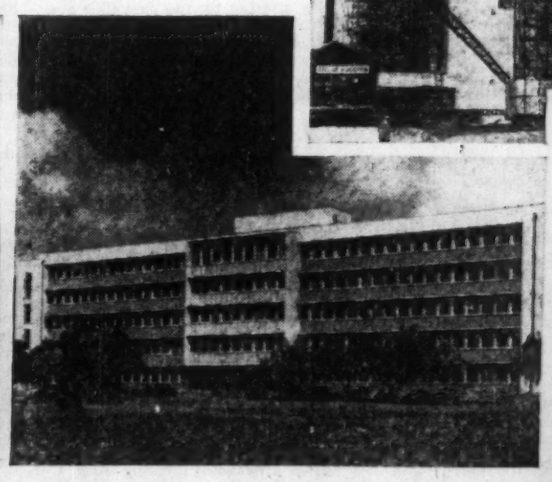
*Britain's first atomic electricity generating station at Calder Hall, during construction for the United Kingdom Atomic Energy Authority.*



*Parker Rust Proof Factory, Etobicoke Township, Ontario, for the Parker Rust Proof Company of Canada Limited.*
CONSULTING ENGINEERS:
Messrs. Armstrong, Kingston & Hanson.



*Transit Shed No. 2, Toronto, for the Toronto Harbour Commission.*
ARCHITECTS: Messrs. Marani & Morris



*Accountant General's Office, Nairobi, for the Public Works Dept. Kenya.*

*Bank of British West Africa Ltd., Lagos.*
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# They're Putting More Money Into Loans for Housing

## *Financial Institutions Look at Mortgage Picture*

Whatever glamorous name may be given to it, its residents usually pronounce it "the nu sub-di-vizh-un."

And the new subdivision can be found on the outskirts of any major Canadian city. Where farmer's crops sprouted up yesterday, the suburbanite's aerial sprouts up today.

The prairie-fire growth of new housing in the past decade has brought myriad changes in Canadian life — in family patterns, in recreation, in education, in business development.

Less obvious, but striking nevertheless, is the role played by Canada's financial institutions in this postwar housing boom. In 1945, Canadian life insurance companies had $273 millions outstanding in real estate mortgages. That was 13.1% of their assets.

Today, their investment probably exceeds $1.3 billions, roughly one third of total assets. The insurance companies' investment in residential mortgages in Canada alone is some $410 millions, 18% more than a year ago.

But the big news in mortgages of the past 12 months has been the entry of the chartered banks into this field. Last March, the banks were authorized by Parliament to participate in a new system of mortgage loans insured under the National Housing Act. The banks hadn't asked for this permission, and received it in much the same way that a banker would unwrap a loud tie on Christmas morning.

But, as things worked out, the entry of the banks into the mortgage lending field has been a success. It means that the banks have a profitable new investment outlet just when they need one (they have been "long" on cash in recent months, for various reasons), and that Canadian homeowners have a convenient new source of mortgage money.

The banks now have nearly $100 millions outstanding in NHA mortgage loans, with perhaps two and a half times that amount committed for future borrowing.

Banks and life insurance companies are by no means the only sources of mortgage funds. Long established in this field are loan companies, trust companies, fraternal societies and fire insurance firms. Credit unions have played a rapidly expanding part. Their cash disbursements on mortgage loan account in 1953 totaled $59 millions, 55% higher than the trust companies' $38 millions.

In their year-end reports, officers of many Canadian financial institutions spoke of the changes that 1954 had brought in mortgage lending. Here is a round-up of excerpts from some of their statements:

### Has The Cost Of Mortgage Money Reached Its Peak?

| | 1945 % | 1946 % | 1947 % | 1948 % | 1949 % | 1950 % | 1951 % | 1952 % | 1953 % |
|---|---|---|---|---|---|---|---|---|---|
| Canadian life insurance cos.' mortgage loans as proportion of total assets . | 13.1 | 13.8 | 16.0 | 19.7 | 22.2 | 25.4 | 28.2 | 29.5 | 32.3 |
| Aver. interest rate on conventional residential mtge. loans by institutions | 5.03 | 5.06 | 5.08 | 5.04 | 5.09 | 5.14 | 5.78 | 5.99 | 6.21 |
| NHA rates to the borrower on residential mortgages ..... | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 5.00 | 5.25 | 5.25 |

Source: Central Mortgage & Housing Corp.

***George W. Bourke,***
**President, Sun Life:**

Our mortgage loans increased by more than any other type of investment. As well as contributing to the diversification of our assets, this is in keeping with our policy of striving to further the economic and social interests of the community consistent with sound investment principles. During the year we made new mortgage loans for a total of $83,000,000. At the end of the year we had $323,343,975 invested in mortgages, mostly in individual homes. The contribution by life insurance to new housing in Canada and the U. S. looms larger every year.

***J. H. Lithgow,***
**President, Manufacturers Life:**

Demand for mortgage loans continues, stimulated in both Canada and U. S. by important changes in the National Housing Acts which widened the terms under which mortgages can be obtained.

Mortgage interest rates have been well maintained and this general strength in mortgage rates was an exception to the trend of other long-term fixed interest investments. Mortgage collections continued on a favorable basis.

***E. C. Gill,***
**President, Canada Life:**

The most significant change in our investment portfolio is the increased emphasis on mortgage lending. Including operations under the new National Housing Act, the Canada Life placed mortgages of over $53 millions, as compared with $30 millions in 1953. That the Canada Life has given the maximum support possible for the financing of housing construction is evident by the growth in mortgages from 29.7% to 33.5% of our total invested assets. The total mortgage portfolio now amounts to $157 millions, and since the demand for mortgage money continues to be very active it is expected that a substantial portion of our funds in 1955 will be employed in this field.

While carrying on this substantial volume of new mortgages we have fully maintained our high lending standards. In spite of some higher unemployment, strikes, and other difficulties — the collections on our mortgages have been exceptionally well maintained, and the ratio of accounts in arrears at the end of 1954 is amazingly low.

***H. W. Manning,***
**Vice-President, Great-West Life:**

It was apparent at the beginning of 1954 that there would be a continued demand for housing which would require substantial funds for mortgages. This company and others in the industry considered that this demand should be met.

Consequently, an expanded program of mortgage lending has begun. During this period there was a marked rise in the security market as a result of the general decline in the interest rate level. This provided an even greater incentive to invest in mortgages since the spread in yield between bonds and mortgages had widened. Moreover, the rise in the security market provided a ready avenue for the disposal of lower yielding securities and the transfer of these funds into mortgages.

As a consequence, the program of mortgage lending was stepped up considerably and resulted in the largest investment in mortgages in a single year in the company's history. During 1954 more than $50,000,000 were invested to the end that mortgages and sale agreements now total $177,000,000 and form 34.6% of total assets.

***Robert H. Reid,***
**Executive Vice-President, London Life:**

The company continued to place the major portion of funds for investment in first mortgages. The total investment in mortgage loans for the year was over $55 millions — by far the largest amount for any year in the company's history. The London Life has been one of the leading institutions in Canada in the arranging of National Housing Act mortgage loans.

***H. L. Guy,***
**General Manager, Mutual Life of Canada:**

Throughout 1954 there was a lively demand in all parts of the country for residential mortgage funds. Our branch investment offices from the Maritimes to British Columbia were very active. As a consequence, our mortgage investments advanced by the record sum of nearly $33 millions.

By far the largest portion of our mortgage investments is represented by loans on residential properties; and about three quarters of the total are loans under the National Housing Acts. Our mortgages are well distributed across Canada, and their quality is attested by the fact that overdue interest is only about fourteen one-hundredths of 1%. Our rapidly growing mortgage account has made a substantial contribution to our earning rate.

***J. K. Macdonald,***
**President, Confederation Life:**

Our head-office mortgage department and branch offices were again most active during the year paying out over $13,250,000, and after taking into account the principal repayments upon present mortgages, the net increase in this type of investment was over $6,000,000. Our total investment in mortgage loans now stands at $63,000,000.

As was the case last year, housing, either single or multiple dwellings, accounts for 98% of new mortgage loans, 65% of our approvals in Canada were under the National Housing Act. Collection of mortgage payments has been very good, and at the end of the year interest in arrears amounted to only about one fifth of 1% of the amount invested.

***A. Ross Poyntz,***
**President, Imperial Life:**

Our new mortgage investments totaled $15,750,000, which produced a gain of $9.6 millions net of capital repayments. This increased our total mortgage investment to $53,148,000, which is 26% of our assets, the ratio being increased from 22.5% during the year. Eighty seven per cent of our mortgage loans are on residential properties, 11% are on commercial type properties, and 1% on each of industrial and farm properties.

***J. T. Bryden,***
**Vice-President and General Manager, North American Life:**

During the year, the company continued to expand its mortgage account. Advances during the year totaled $17 millions. Repayments on existing loans were $6 millions, resulting in a net increase of $11 millions or about 18%, in the mortgage account. Interest has been well collected, the total arrears at the year-end amounting to $15,000 on a principal amount of more than $73 millions. Investment in mortgages is a continuing business and at the year-end there were unadvanced approvals of almost $6 millions. Cash for these approvals will form part of the advances which will be made in this current year.

***H. R. Stephenson,***
**President, Crown Life:**

The demand for housing loans has continued very active and the company's mortgage lending continues to be almost entirely confined to housing loans. Mortgages comprise nearly a third of the assets and our experience with them has been very satisfactory. Not one of the company's mortgages has been foreclosed in the past 12 years, nor has any loss been sustained.

***Arthur C. Jensen,***
**General Manager, Bank of Montreal:**

At the end of our fiscal year we had outstanding $11 millions of these mortgage advances, but our total loans and commitments under this heading, including amounts approved but not yet disbursed, amounted to nearly $35 millions. All these mortgage loans are, of course, insured under the National Housing Act.

***C. Sydney Frost,***
**Vice-President and General Manager, Bank of Nova Scotia:**

The revision of the Bank Act and of the Bank of Canada Act and the passage of the new National Housing Act during the year were accompanied by some interesting discussions of monetary matters and involved a few significant changes in banking practice. The main developments were the entry of the banks into mortgage lending on new residences and the adoption of flexible cash reserve requirements.

Since the new housing act came into effect, the banks have in fact become an important source of residential mortgage funds. With the demand for commercial loans slackening, with bond yields declining and with ample cash, the banks have been in a position to make funds available for mortgages insured under the Housing Act.

***William Kerr,***
**General Manager, Bank of Toronto:**

This is a new type of bank investment made possible under the revised Bank Act. Its virtue has been the source of much discussion but in accordance with our comment a year ago we have felt that within proper limits it has a place in banking. Accordingly we have undertaken commitments for loans to the amount of $8,382,245 of which $2,404,365 had been made available at Oct. 31. Needless to say, we have examined all applications with due care and have had each examined by reliable expert mortgage brokers with years of experience to ensure that there was no question of the quality of our commitments.

***A. C. Ashforth,***
**General Manager, Dominion Bank:**

Since mortgage lending is a new field of endeavor for the bank, we have followed a cautious policy, feeling that it was desirable to "go slow" until our staff had acquired some experience. Careful selection has been the rule — quality being preferred to quantity. We are of the view that it is desirable, not only in our own interests, but in the national interest, that we should not lean too heavily on the Government guarantee in making our mortgage loan decisions.

***Charles St. Pierre,***
**President, Banque Canadienne Nationale:**

The entry of the banks into the field of real estate financing is an innovation. Anxious as they are to contribute to the solution of the "housing crisis," they will have doubtless to exercise prudence in determining the proportion of their assets which will be allocated to long-term loans.

***J. U. Boyer,***
**Vice-President and General Manager, Provincial Bank:**

For about 100 years, mortgage loans were very strictly forbidden by the Bank Act. For various reasons, however, Parliament, at its last session, authorized the banks to make certain loans of this type, to promote construction of new houses. These provisions have been in effect for a few months only and, as they involve for our banking system a radical innovation, we have made it a point to proceed with all necessary caution in this field.

We have received a great number of applications, all of which have been studied very carefully. Our commitments for these loans, after only a few months, are close to $800,000 and will soon reach $1 million. The amount of $87,146, shown on our statement at the end of October, represents only progress payments made to builders for work already completed at that time.

***T. H. Atkinson,***
**General Manager, Royal Bank:**

At the end of the (fiscal) year we had advances outstanding in this category amounting to $22,672,390. Actually, our total commitments were something over $62 millions — the difference between the two amounts to be loaned as construction proceeds. This represents approximately 40% of the total commitments of all the banks.


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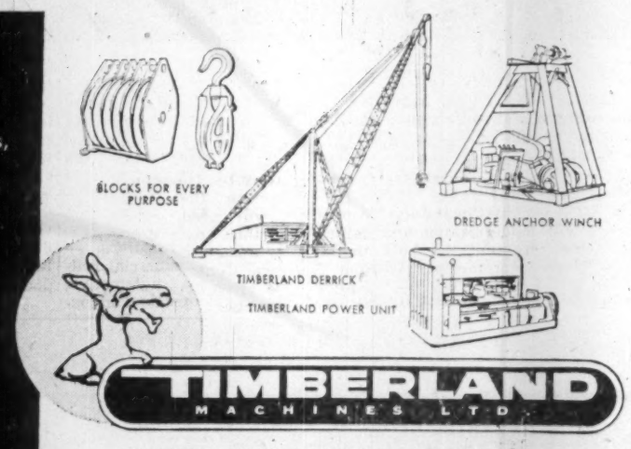


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**MAINTENANCE AND SERVICE HANGAR** — for Trans-Canada Airlines, Malton Airport. Two hangars for A. V. Roe Ltd., Malton.

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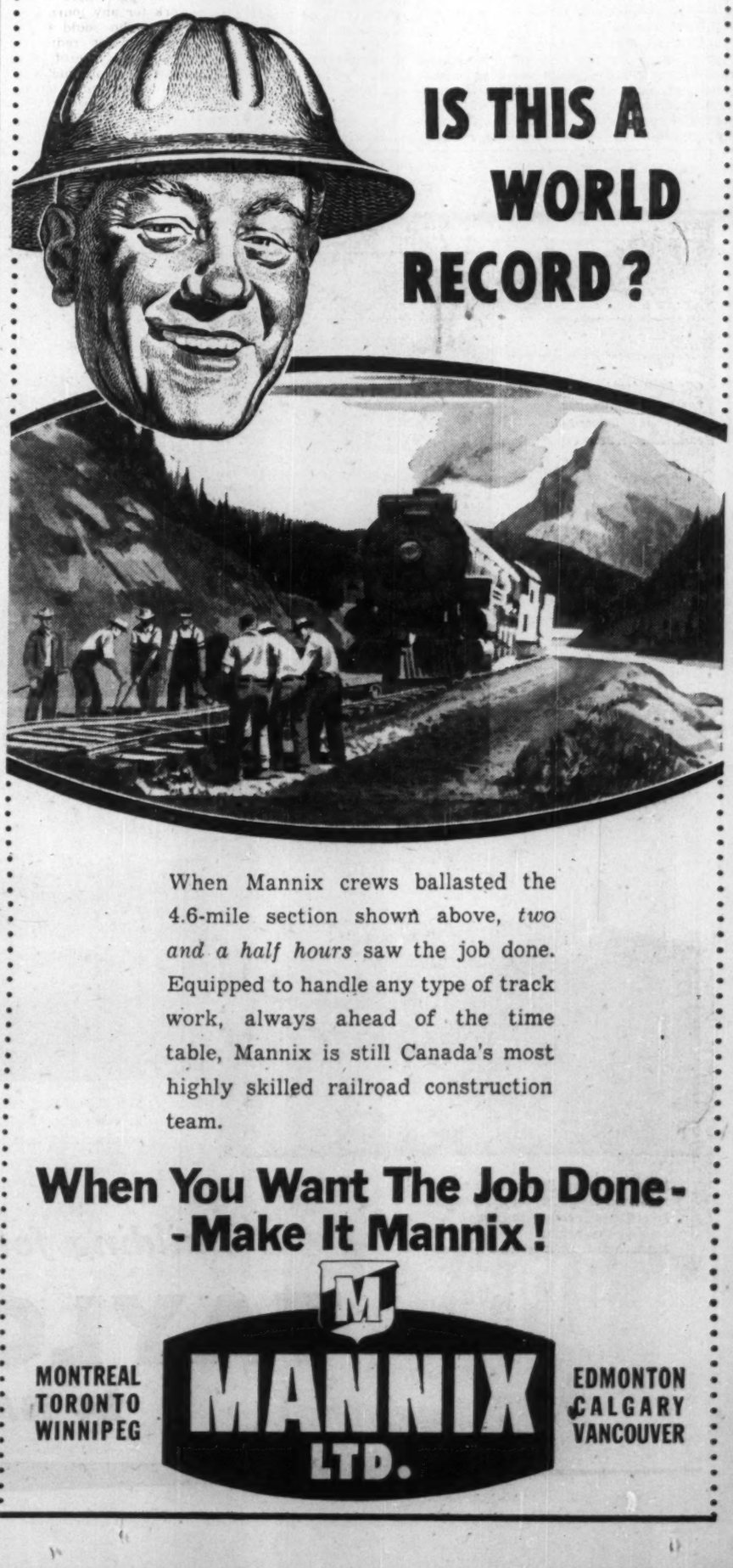

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# Wiring Is The Cinderella Trade

## *Electrical Contractors Have A Motto—Educate To Sell*

By L. H. C. JENNINGS
Editor, Electrical Contractor of Canada (Maclean-Hunter)

The electricity piped into today's modern Canadian home would have powered a small plant 15 years ago. That, in its way, is an indication of what the electrical contractor now means to the construction industry.

In the '20s, his share of the average building's cost would have been 5% or 6%. Today his slice is up in the 10% to 12% range. In 1954, the electrical contractor probably did nearly $600 millions worth of work.

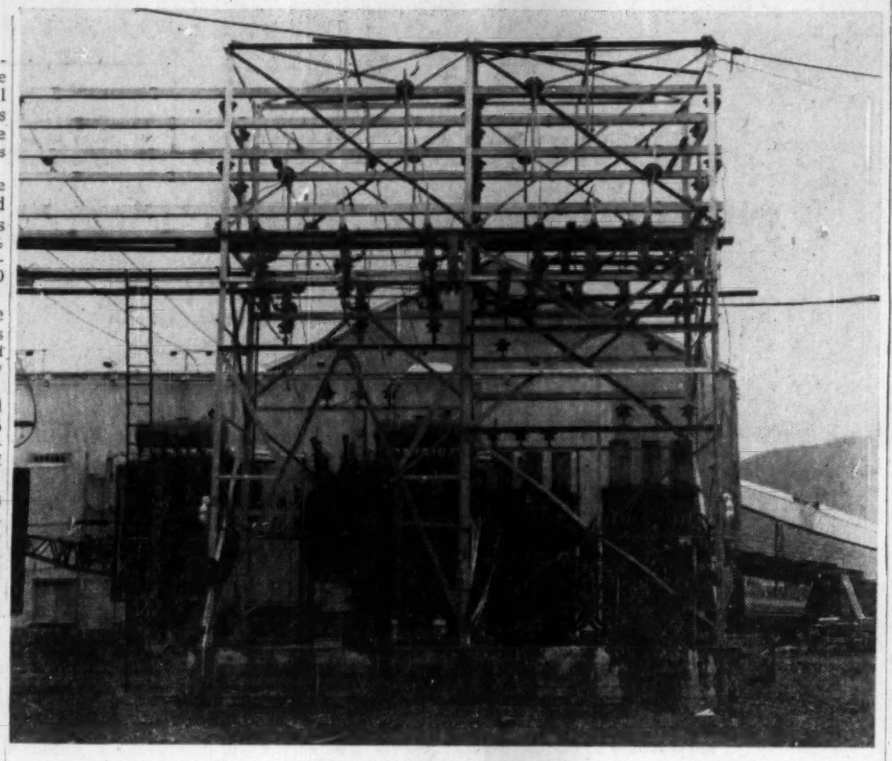
Another way of assessing the electrical contractor's market is to look at the production and consumption of electrical energy in Canada.

During 1954 production reached an all-time high at around 75 billion kwhr. And this 6% increase on 1953 is one and a half times the 1939 figure.

Nearly four million customers are now getting electric service—twice as many as in 1939. These Canadians represent 92% of all our households and 70% of all our farms.

And the average Canadian uses twice as much electricity in a year as he did in 1939.

The power is fed in through electrical equipment and wiring put in by 8,000 electrical contractors.



**CLOSE ON $600 MILLIONS of electrical contracting work is done in Canada in a year. It comes in small jobs, big jobs. Here is a big job — a substation completed in 1954 at Aluminum Co. of Canada's Kitimat project.**

### Modern Methods

These figures point up the growth in stature of Canada's electrical construction industry.

How is it matching up to this new role? As the second largest subtrade—plumbing is 20% to 30% of new building—electrical contractors are modernizing equipment, administration and sales methods.

Thirty years ago, contractors bent conduit around freight car wheels, pulled cable by main force and used basic hand tools for most jobs.

Now they use power benders, winches and every size of power tool. Today few contractors are unmechanized—they need equipment to keep competitive.

They run fleets of trucks, some radio-controlled. Investments in tools, trucks and tackle are many times what they were before the war.

A contractor who's been in the business nearly 40 years summed it up the other day.

"When I started, you needed a bag of tools, some know-how and —if you were doing it the easy way—a truck. Now my investment in equipment is worth four years' turnover from the old days."

The work has changed too. For lighting years ago, half a watt for every square foot of building would be normal. Today modern lighting demands two or three watts.

The additional load of better lighting, electrically driven equipment and the huge increase in use of appliances has meant heavier electrical installations. Years ago, plants and office buildings had only small services. Today many new buildings have their own substations built by electrical contractors.

### Shoe-String Days Over

To handle more complex work, the contractor has got to be a specialist. He employs skilled estimators and engineers to help him price and layout the work. Many a contractor who back in the '30s ran his own truck around town on service calls, today bosses a score of these specialists.

Canada's postwar boom—has meant business three ways for electrical contractors. Plants, using much electricity, have been going up by the dozen. Commercial and office buildings, heavy with lighting, heating and office-equipment, have made profitable electrical jobs. And the housing program has given the small man volume work he never knew could exist.

Up to a year ago, there was plenty of work for any journeyman electrician who could buy himself a truck and get credit at a wholesaler's. It was one of the paradoxes of a key construction trade that a man with tools needed little else to set up in business.

But it looks as if the days of the shoe-string operator are over . . . Keen competition in the construction industry now means the electrician may have to go back to work for his old boss—unless he can meet 1955 conditions.

Experienced, long-time contractors think the competition is going too far. They say buyers, in eagerness to chop building costs, are demanding electrical work too cheaply. They are putting in services which are sound with minimum load for a couple of years, but which will need costly remodeling if expansion comes.

Electrical loads, weighted by the growing use of all types of appliances, are leaping up. Electrically, a building must be planned for the future.

Some aren't even planned for the present.

Not long ago an electrical manufacturer leased 20,000 sq. ft. of plant space. He wanted his own electrical service put in and the owner—a speculative builder—agreed to pay the normal cost of the job. The manufacturer got the wiring job he wanted through a friendly electrical contractor. It cost $15,000. When he got his rebate cheque from the builder it read $1,500.

Fantastic? Ten times as expensive? No, quite usual," says the electrical contractor who did the job. "They all put in minimum electrical services. Everyone figures they can save on electrical work."

### Price Before Quality

The truth is the public and even much of the construction industry are still thinking in 1920 terms. They haven't seen what greater use of electricity means to the electrical costs of buildings.

Some home-builders — who know to a tee the selling merits of a smart pink bathroom—won't spend a penny more than they have to on the electrical system.

Result is that in some new project homes, bathroom switches click off hall lights, outlets have no power and fuses blow. Builders get unqualified electricians to do the work at rock-bottom prices and still expect quality.

Probably the biggest problem electrical contractors face is getting the public interested in their work. They need to get construction buyer thinking they're as important as plumbers. Construction buyers are plenty interested in electrical appliances put in, but not bothered enough about wiring.

So the electrical contractor selling quality work at higher prices is often suspect. He meets the word "Your price is too high" when often the truth is that his competitor's is too low.

### A Selling Job

Electrical contractors are tackling this problem two ways:

—Association educational programs are telling the small man what his costs are. Because, they claim, often he takes work at no profit—without knowing it.

—Contractors are going out, with electrical manufacturers, to sell adequate wiring positively. This can bring new business at a better price, develop the modernization market.

Modernization, most people think, is very profitable indeed if you can sell it. Growth in power use has left much existing wiring inadequate. Plants, office-buildings and homes with 20-year-old wiring are a virtually untapped market for the electrical contractor.

Housing and institutional building along with modernization and maintenance represent the bulk of 1955 business for the contractor.

In all three, the contractor needs to sell the public on the importance of his work before he can make more than a slim profit.

The electrical contractor has a foot in two camps. He's the second largest subcontractor in the construction industry. And he's the fourth member of the electrical industry team: along with utilities, manufacturers and distributors.

Electrical manufacturers, out to keep sales up, are coming to look at the contractor as their field man. He deals directly with the customer and, some manufacturers say, is the best sales force the industry could have.

One large national electrical firm has reportedly turned over 3,000 industrial accounts once sold direct—to the contractors. One likely reason: sales-minded contractors, backed by sales-minded manufacturers, can do a better job of keeping the electrical industry's volume up.

The electrical industry, recently hit by U.S. and European competition, is anxious to find better selling methods. The contractor looks like one.

### Modernizing By The Month

But it's clear the electrical contractor will need to do a selling job this year. Recently the industry inaugurated a Canadian Electrical Contractors Association. One of its tasks will be to show members how to sell their services—profitably.

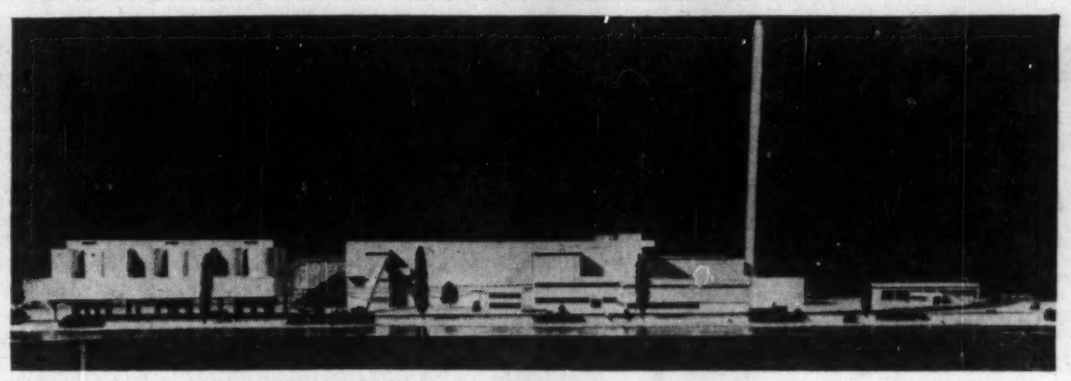
One way is gaining recognition: time-payment wiring. Electrical modernization has been sold by the month in the States with huge success. It's easier to sell an adequate job on time. Contractors here took hold of the idea and it got a fillip this month with news that banks can now finance home improvement.

Here too, electrical manufacturer and contractors can tie in. In the States, manufacturers have spent millions of dollars on national advertising campaigns telling the consumer about his electrical needs.

Now there are signs that Canadian manufacturers will follow suit. The industry already has its own agency—the Canadian Adequate Wiring Bureau—to tell the public about electrical adequacy. This job has been backed up provincially by electric service leagues and the team has done a sound job with its Red Seal standard.

However, with competition in the driver's seat, many feel the adequate wiring program needs individual firms' support—as well as group backing. In the States again, a competition-conscious electrical industry is investing a large chunk of its sales dollar in adequate wiring promotion.

For the contractor, this is his best sales tool. A wiring-conscious public will be a better customer for him.

▶ **New Cement Plant** of the St. Lawrence Cement Company, Villeneuve, Quebec.

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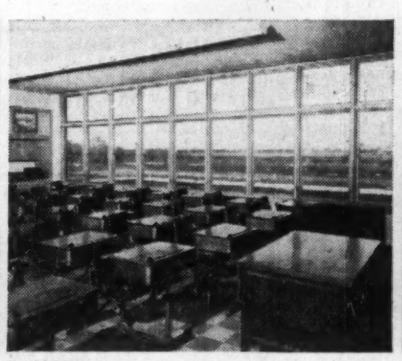
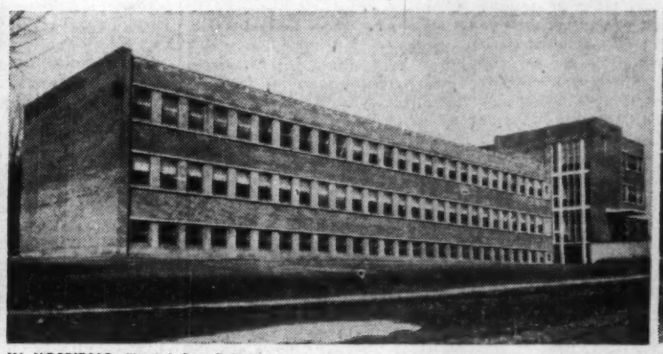
**IN HOMES:** Etobicoke, Ontario, home of Mr. and Mrs. C. A. Winder. Contractor: Malon Construction Co. Ltd., Toronto Ont.

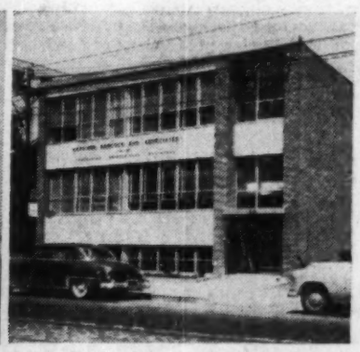
**IN APARTMENTS:** The Amesbrooke, Dorchester Street, West, Montreal, Quebec. Contractor: David Bloom & Co. Inc., Montreal. Architects: Greenspoon, Freedlander & Dunne Montreal.



**IN SCHOOLS:** St. Alfred's and Canadian Martyrs Separate Schools, St. Catharines, Ontario. Architect, Frank H. Burcher, Hamilton.

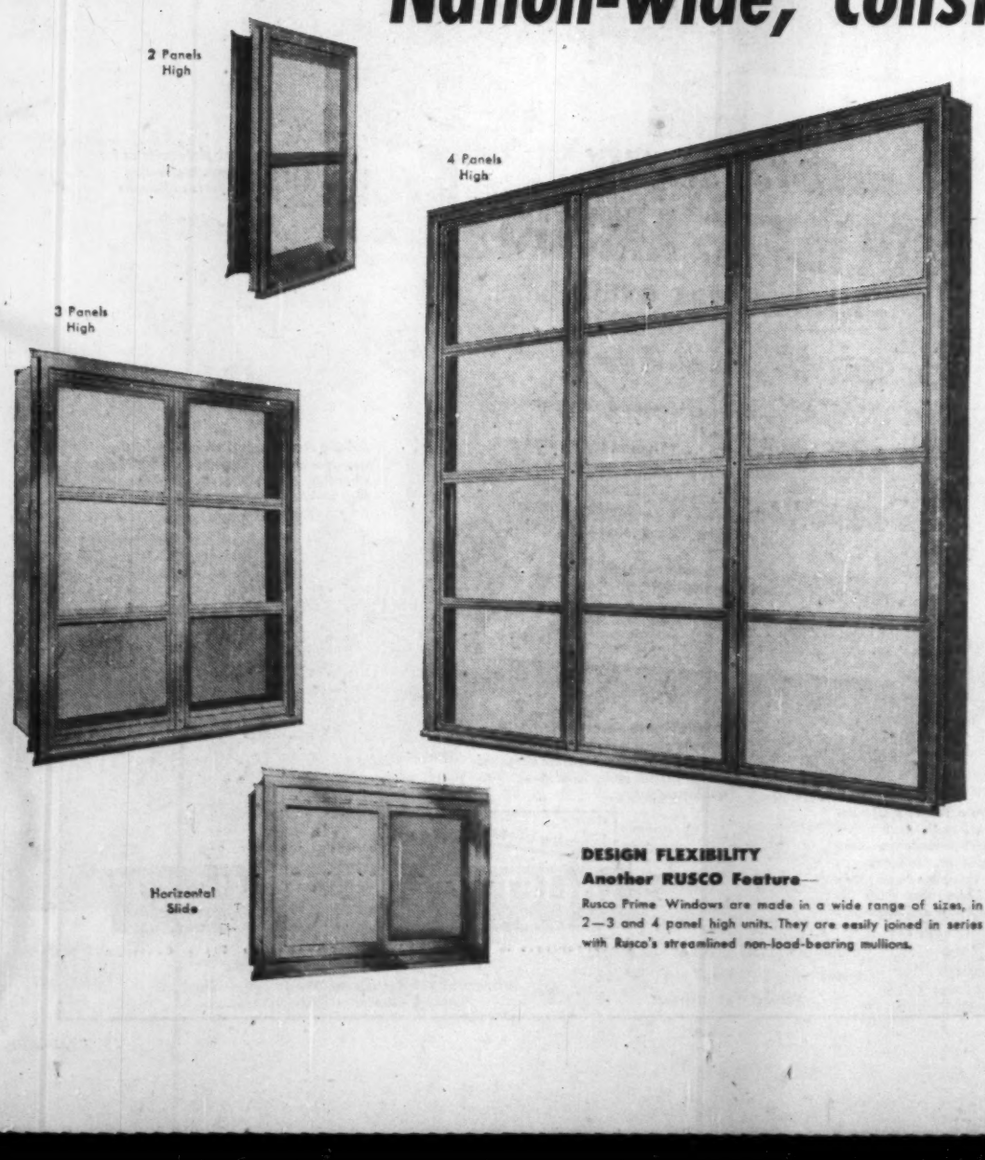


**IN HOSPITALS:** l'Hôpital Ste. Catherine Laboure, Coaticook, Quebec. Architect: Rodolphe Lajoie, Montreal.



**IN OFFICES:** Modern office building, 30 Eglinton Avenue East, Toronto. Builder: Jacobson & Lipson, Toronto. Architect Edward L. Richmond, Toronto.

# Nation-wide, construction-wide welcome for RUSCO

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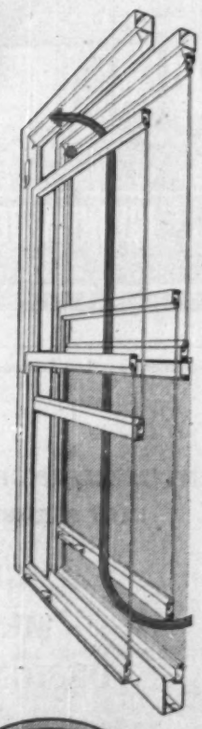

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# Future For Wood In U.S. Till 1975

## *Epic Study Charts Bigger Market But Changing Conditions*

**A study of outstanding importance to Canada's forest and construction industries has been completed by Stanford Research Institute in the U. S. for Weyerhaeuser Timber Co. It is an exhaustive investigation of "America's Demand for Wood (1929-1975)," made by economists and engineers. The results they turned up point to important trends in the big U. S. market which absorbs substantial forest exports from Canada and has a major influence on building costs in Canada. Here is a summary of key sections of the report from Weyerhaeuser News:**

Major conclusions of this study can be summarized as follows:

Substantial population increases, technological advances, and increases in living standards will expand size and activity of the United States economy by 1975.

This general economic expansion will result in corresponding increases in activity in construction (especially residentjal), shipping containers, and manufacturing—major markets for forest products.

Despite these expanded markets, substantial increases in supply of lumber, either from domestic production or from imports, are likely to occur only at costs that will encourage the substitution of competing materials for lumber. The price of lumber relative to competing materials will increase, although less rapidly than in the past and lumber will lose part of its markets.

Price of plywood will increase (but less rapidly than that of lumber) relative to competing materials. Prices of pulp and paper products will continue in about their present relationship to prices of competing materials. Prices of hardboard and insulating board will decline relative to those of the materials with which they compete.

Domestic production of lumber will increase only moderately by 1975, with all the increase in softwood lumber production occurring in the West, accompanied by more moderate increases in hardwood lumber production in the South and East.

Despite higher lumber prices, there should be a market for all lumber produced in the U. S., plus a moderately higher level of imports (primarily from Canada) and increased re-use of salvaged lumber.

Major increases are expected in domestic production and consumption of pulp, paper and paperboard, products, plywood and veneer, and hardboard and insulating board.

A major decline is probable in fuelwood consumption. By 1975, this product will be used primarily in fireplaces, with a virtual disappearance of its uses in residential heating and cooking.

Only moderate changes from their 1952 levels are foreseen for domestic consumption and production of other forest products by 1975.

Total domestic requirements for sawtimber delivered to millsites are expected to increase by only about 3.4% between 1952 and 1975. This modest increase reflects the relatively mild increase in probable minimum sawlog standards, and a substantial reduction in use of sawtimber for fuelwood.

Total domestic requirements for all timber delivered to millsites, in cubic feet, will increase by about 14% between 1952 and 1975. This relatively greater increase in cubic volume, as compared to board feet of sawtimber, reflects partly the expected increased relative importance of pulp in total timber use, partly the probable general shift in all regions toward use of smaller logs.

Increases in use of mill residuals to produce pulp and other fiber products will be substantial in the West and South, but less pronounced in the East. This will meet about a third of the increase in domestic pulpwood requirements.

Increases in use of mill residuals to produce pulp and other woods, particularly in the South and East.

Major increases in timber use in the South will be for pulp and for hardwood lumber production; in the West, for softwood lumber and plywood production, with mill residuals providing material for increased pulp and hardboard production. The East will show moderate increases for lumber and pulp uses of timber, but a decline in total timber use.

Here are digests of specific sections of this Stanford report:

### *Lumber*

A fundamental problem of the lumber industry is the cost of producing sawlogs. Through 1975 these costs will probably increase because costs of stumpage are likely to continue rising, logging will shift to remote and rugged terrain, manufacturing costs will go up, and distribution costs (including transportation) will be higher.

Annual U. S. lumber production will probably increase from about 38.2 billion board feet in 1952 to about 41 billion by 1975. In this production, the position of the West is expected to continue to rise, with relative decline of the South, and little change in the East.

Today, two thirds of America's saw-timber cut is in the West. Yet three fourths of U. S. forestland, and more than four-fifths of the population, are east of the Rockies. In the last quarter of this century the dominance of the West expected for the next 20 years may be reversed.

As to future lumber imports, most will be from Canada, largely from British Columbia. It appears that increasing volumes of lumber will flow from B. C. into the U. S. in future years.

Only limited increases in domestic production and imports of lumber are in prospect without prohibitive increases in cost. Hence, price of lumber will probably rise at a higher rate than prices of competing materials. But the relative increase is expected to be smaller during 1952-1975 than in 1929-1952, because pressure of competing materials and technological developments will act as a brake on lumber prices.

**Expected Demand**

Section III of the report discusses a matter of greatest interest to lumber producers, dealers and users — the expected demand for lumber in the years 1953 to 1975. These are the principal points brought out:

Today, U. S. lumber consumption is divided about as follows: 73% for construction, 15% for shipping uses — chiefly boxes and crates, 12% for manufactured products. These proportions are expected to stay about the same up to 1975, despite some significant shifts within these broad groupings.

Lumber used in construction will go increasingly into new houses (including remodeling), and less into nonresidential construction. This will be due largely to the expected increase in housing starts. Repair and maintenance will probably use about the same proportion as now.

Architectural changes and trends are extremely important to lumber consumption. Although the average size of dwelling units has been declining along with the average number of persons per unit, it is now expected that dwelling unit size will stay fairly level through 1975 at about 1,000 sq. ft.

To estimate lumber consumption, residential construction was broken down into markets by each of the housing components. Trends of architecture and of size were charted for the years 1920 to 1953. Calculations were made on the basis of maximum possible lumber use, to give a picture of the over-all maximum possible market. Then, the actual use of each building material was determined.

A tabulation of these figures shows some interesting changes in the use of lumber in residential construction, both for the past and future projections. In summary, lumber consumption per dwelling unit has declined steadily from 18,900 board feet in 1920 to 10,520 in 1953. A further drop to about 8,700 board feet is expected by 1975.

About half of the loss from 1920 to 1953 resulted from changes in size and architecture, and thus affected competing materials also. Between 1950 and 1953, however, the lumber content in dwellings fell off more rapidly than in previous years. This loss resulted mainly from architectural changes. Typical factors are the use of concrete slab floor construction and the use of composition tile in place of hardwood flooring.

**Changes In Use**

The Report also shows the changes in lumber use by components — floors, ceilings, roofs, etc.; and in total, 1920 to 1975. In terms of lumber consumption, it shows the roof as most important followed by floors, exterior walls and interior walls. These four components account for more than 70% of all lumber used per dwelling unit.

Another important view of this lumber market is the division of past and probable lumber used by type of lumber. From 1920 to 1953, lumber content of the average dwelling unit dropped by 8,400 board feet. The drop from 1953 to 1975 is projected as 1,800 board feet. Of this expected future loss, framing accounts for 900 board feet, sheathing for 600, siding for 75 and hardwood for 225.

Next comes the statistical answer to the question—which other wood products will cut into the market for lumber in housing? The total loss of lumber markets to competing materials in millions of board feet was 3.9 billion board feet by 1920. By 1953 this had grown to 11.7 billion and by 1975 the expected total loss is 21.6 billion. By 1975 other forest products such as plywood, hardboard, insulating board, will probably gain about 15% of the total lost by lumber. This is equivalent to more than 3 billion board feet.

In 1953, additions and alterations used about 4% of all lumber consumed in construction of all types. It is expected that boards will lose some of this market to plywood, hardboard and insulating board, but that dimension lumber uses will not be greatly changed. However, total lumber use for additions and alterations will probably stay at about present levels (approximately 1.1 billion board feet annually), as total expenditures for this type of construction increase.

As to non-residential construction, a special survey made for this study shows the present division of lumber use as follows: concrete forms 58%; framing and trim, 20%; scaffolding, 10%; and miscellaneous uses for the remaining 12%.

**Types of Construction**

Divided by the types of construction, lumber is shown to have largest board foot use per dollar of expenditure in farm service buildings. Other specific types of construction follow in this ranking: industrial and commercial buildings, hospitals and institutions, public utilities. Total estimated lumber consumption in non-residential construction is shown as 8.2 billion board feet in 1953, and projected as 5.1 billion for 1975.

The importance of maintenance and repair as a factor in lumber sales is shown in several ways. First this market in 1953 accounted for about 23% of all lumber used in construction, and 16% of total lumber use. Second, a survey of large retail dealers made for this study showed 18% of all retail yard lumber sales were for maintenance plus alterations.

While the lumber-use factor per unit in this type of work is expected to decline somewhat, the growing total market indicates a larger future lumber market here — from 6.8 billion board feet in 1953, to about 7.2 by 1975.

In sawn lumber ties, lumber use will probably decline from about 800 million board feet to about 700 million by 1975. Hewn ties will also decline. These declines are chiefly due to longer tie life.

### *Plywood and Veneer*

The price of softwood plywood and veneer will probably go up in relation to competing materials, but not as rapidly as hardwood plywood and veneer. As against lumber, an increasing relative price advantage is expected.

In softwood plywood, the log supply base will be broadened as other materials are used for face veneer. Improved patching techniques and increased use of species other than Douglas fir will have the same effect.

Demand for veneers and plywood is chiefly from the construction and shipping containers industries, with the remainder going into a wide variety of manufactured products. About two thirds of the veneer is used to manufacture plywood, and about 50% of plywood is used in construction.

At present, about 40% of the plywood used in new residential construction is for roof sheathing, 25% for sheathing and facing of exterior walls, 18% for floor underlay. This material now represents about a quarter of the roof sheathing market, and has increased from 8% to about 30% of the residential wall sheathing market in the past few years.

Between 1940 and 1953 plywood raised its shares of the subflooring market from 8% to about 25%, mainly because of more rapid installation than lumber. Plywood also provides a smooth, firm surface ideal for linoleum or tile.

Plywood consumption in non-residential construction has also increased at a rapid rate. In 1951, a reported 148 million sq. ft. (⅜ in. equivalent) of plywood were used, including about 11 million sq. ft. for farm service buildings. It is estimated that, of all plywood used in non-farm non-residential construction, about 83% is for forms, about 12% for cabinets and trim.

Plywood used for maintenance and repair now exceeds 15% of the total plywood production, and it is likely that this market will expand considerably.

### *Insulating Board And Hardboard*

Prices of these products will probably tend to drop in relation to prices of competing materials, in the period under study.

In the case of hardboard, two new western plants entered production in 1953, and six more are expected to begin operation in 1954. Probably, new capacity will outstrip market growth; therefore, prices may be very favorable relative to other materials.

About 16 times as much hardboard was consumed in 1953 as in 1929. Insulating board has also shown a healthy 700% increase during the same period.

As an exterior wall sheathing material insulating board accounted for about 4% of the market, in 1920. It is expected that its share will rise to about 34% by 1975. Because the total market will be large, lumber's loss is not expected to be too serious.

Hardboard is distinguished from insulating board by greater density and rigidity, harder surface and greater resistance to impact. Total demand for hardboard in 1975 is estimated at more than 3 billion sq. ft. (⅛-in. equivalent), up from 1 billion in 1952.

This material is used by the furniture and fixtures industry to an increasing extent in drawers and dresser backs, under plastic surfaces in dinette sets, and for table tops in inexpensive furniture built for hard wear. It is also widely used for displays, counters, and partitions.

**Construction Uses**

Hardboard is being used more by the construction industry — both residential and nonresidential—because of its relatively low cost and adaptability to many uses. Total consumption for construction in 1975 is estimated at more than 1.25 billion sq. ft. or about 40% of the total produced.

In residential construction, gains are expected in the use of hardboard as underlayment, interior wall surfacing, ceiling surfacing, roof sheathing, and for doors, cabinets, and trim. Hardboard in non-residential construction is largely used for concrete forms and interior partitions forming permanent parts of a building. On the farm, hardboard is adapted to many uses, such as exterior wall covering, partitions, and bins.

In the manufactured products mentioned above, hardboard has become increasingly popular. It is estimated that consumption in this field might reach 630 million sq. ft. by 1975.

From about 210 million sq. ft. in 1953, home workshop consumption of hardboard can be expected to increase to about 360 million sq. ft. by 1975.

### *Shingles and Shakes*

The percentage of total new residential roof area covered with wood shingles and shakes declined from around 90% in 1920 to about 10% in 1940. A survey of residential builders throughout the country showed that by 1953 wood shingles and shakes had declined to about 5% of the total new residential roof covering market — about 13% in houses costing more than $15,000, but only about 1% in homes costing less than $10,000.

Consumption of wood shingles and shakes in new residential construction in 1975 is estimated to be about 2.8 million squares. Total consumption is estimated at 4.4 million squares, of which only 2 million are expected to be produced domestically, with 2.4 million imported from Canada.


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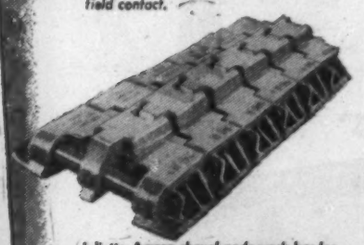

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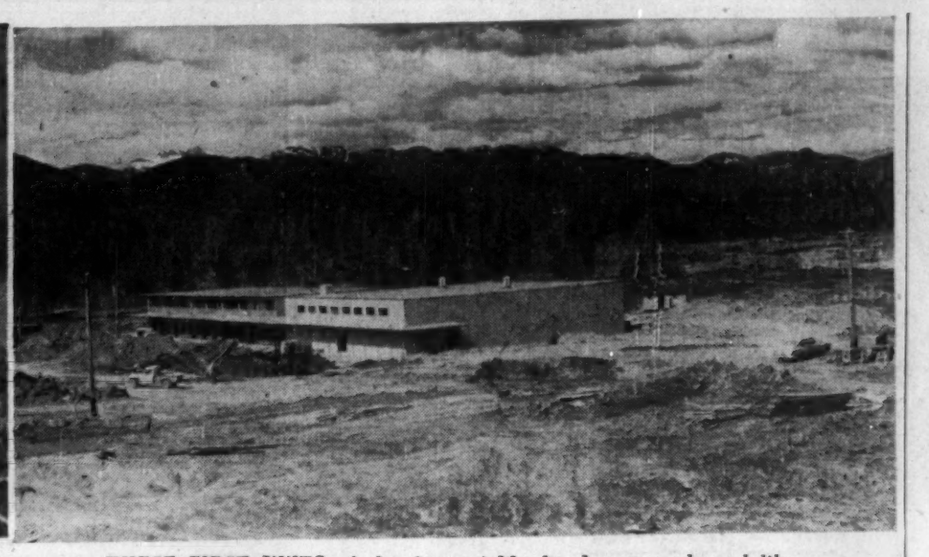
*NEIGHBORHOOD A AT KITIMAT will house about 5,000 people and is expected to be completed this year; first section of city centre is seen at left in this model. First buildings in city centre will be built this year also.*



*THESE FIRST UNITS of the first neighborhood centre, planned like a shopping centre, are now in operation. Full development of this neighborhood centre will be held up till the city centre can get on its feet.*

# Kitimat: The Planners' Dream

(Continued from page 55)

into industrial allotments. Economy in switching has also been kept in mind.

If an individual industry wants to expand, it will be able to do so backwards from its rail siding, onto land set aside for expansion.

The Canadian National Railways facilities will all be in one place, including the freight yard and housing for staff. All the warehousing is right next the freight yard.

Another policy which the planners have urged is use of consolidated warehousing. That is, several businesses will use one warehouse building. They will save land and make more economical use of utilities. It's the cheaper way of providing storage facilities than having a cluster of small buildings put up at greater expense.

All the development will be on one side of the main rail lines, toward the river and the town.

There just won't be any "across the tracks" district in Kitimat, in the literal sense anyway.

As you drive into the service centre from town you will come first to a central entrance square where the more attractive buildings, such as auto showrooms, will be located.

But you will be able to bypass the main intersection at this main entrance to the service centre for a direct route to many of the plants.

For both the civic centre and the service centre, the planners recommended that land be only leased, not sold. There would be a recapture clause, with provision for reimbursement of the lessee for improvements.

Because provision is made for expansion of land holdings in the service centre, companies need not take up more land than they need right away, with extra expense and a spread-out of building which the planners regard as undesirable.

**For Heavy Industry**

Heavy industry will be located in the port area quite removed from the community. There, Alcan's smelter sits on a site of about 230 acres along the west side of the valley in which Kitimat Arms is located. The town is thus to the north and east.

The pulp mill site is also on the port, with about 150 acres. There is room for other heavy industry behind the waterfront locations, with access by means of corridors.

Careful study was made of the smoke problem these industries might create for Kitimat town. The townsite selected will only infrequently get any of the smoke, as the wind will take it south over the water. When this doesn't happen, the smoke passes by the townsite on its way up the valley. There might be trouble for brief periods on rare occasions.

**Organizing Neighborhoods**

The local shopping centre and the elementary school are the two basic units for organizing the residential part of the community at Kitimat.

The planners questioned the traditional planning concept of 1,000 families as an ideal neighborhood. This unit is able to support an elementary school with about 600 pupils, considered the optimum from the economic standpoint.

But 1,000 families seemed too many for neighborliness. And 600 seemed too many pupils for the individual child to get the attention he deserved.

On top of this, the land was cut by gullies that made traditional neighborhoods difficult to fit in.

So the planners decided on using neighborhoods that are bigger in total families than the usual, but breaking them up into sub-neighborhoods.

The neighborhood is tied together by its shopping and community centre. The sub-neighborhoods centre around their schools.

The sub-neighborhood will typically consist of a "K3" school — that is, with kindergarten and the first three grades. Mothers from 125 families will meet there.

Land has been set aside for these sub-neighborhoods, but only the neighborhood schools going to higher grades will be built now. There is not enough population for sub-neighborhood schools yet.

Similarly, the planners decided to have a lower level of shopping than the neighborhood. They reintroduced the general store.

Neighborhood A will have three general stores scattered throughout its residential area, for "around the corner" shopping, as well as the shopping centre.

This is a departure from modern zoning principles, which call for separation of residential and commercial areas.

The best size for a neighborhood to support one supermarket and competitive food stores in the same centre was 1,200 families, they found. This population would also support two elementary schools of 300-500 pupils.

**Set Limit on Size**

A neighborhood could not be more than 1,800 families because of the distances involved.

The characteristics that go into determining a Kitimat neighborhood are its periphery, its circulation system, and its neighborhood centre.

The periphery is made up of through roads to take automobile traffic around the neighborhood and keep through traffic off the residential streets.

In the neighborhood, a system of pedestrian "greenways" enables the residents to go from home to shopping centre, to school or the recreation area. Underpasses connect the greenways, and make for safe passage under roads for children, where this is feasible.

The greenways broaden into parks in the middle of the neighborhood. Many residents' back yards will abut these parks.

The neighborhood community centre's shopping centre will also be laid out around small pedestrian malls. You will park your car off the street, behind the stores, walk into the shopping mall.

Between the shopping mall and the park will be the school. It will be a grade school in most cases, but one of the neighborhoods will have a junior high school that will serve other neighborhoods as well.

To encourage use of the school by the community, the school auditorium will face the neighborhood centre. The community building may in some cases be joined to the school building.

The neighborhood will include a hostel for single workers, tied in with the community centre building. One out of five workers will be single men, at the aluminum plant and pulp mill. By including the hostel in the neighborhood centre, the single workers who do not board out or live with relatives will still be tied in with the community.

**First Neighborhood**

How will the city centre work out with Neighborhood A being started first, with its centre, which will be nearer to the greater part of the population of the town than the city centre?

Some argued that the city centre should be delayed until there were two or three neighborhoods in existence. But many of the facilities to be put in the city centre are needed for a community of any size at all. If the neighborhood centre were allowed to grow up to fully serve the needs of the people in the first neighborhood, the city centre might prove to be stillborn.

So the planners are deliberately stunting the business growth of the neighborhood centre A, at first. Only 18,000 sq. ft. of commercial space can be developed in neighborhood centre for the time being, though 30,000 sq. ft. will be allowed eventually, when the city centre is on its feet saleswise.

The neighborhood centre is intended first and foremost for convenience goods and those items and services people must buy on a day-to-day basis. Activities of city-wide interest can be located only in the city centre.

That means that all department stores, clothing, furniture, sporting goods and similar stores will be in the city centre. Whereas only one of most of these sort of stores could be supported in the neighborhood centre, the city centre will ultimately be able to support a number of competitive stores, which give the shoppers a better selection.

Some heavy goods will be sold in Neighborhood A's local centre until the city centre can handle them.

Construction of the first units in the city centre is to start this year. It will have one of the first two supermarkets, the other being in operation in Neighborhood A. Neighborhood A cannot have a second supermarket until the city centre supermarket is doing well, probably as a result of building of further neighborhood centres.

It will not be too difficult in this interim period for the residents of Neighborhood A to shop for food in the city centre, which abuts on one corner of Neighborhood A.

Later on, another neighborhood will be built in such close proximity to the city centre, that its neighborhood shopping will not be expected to develop as fully as the other neighborhood.

At the other extreme, Neighborhood F, when it becomes a reality in the more distant future, may some day compete with the city centre by acting as a "sub-city centre" for its own residents and those of other neighborhoods in the eastern part of the city which will be somewhat remote from the city centre.

**Program For 1955**

A big clearing and land development program is scheduled for 1955. It's hoped that parts of neighborhoods B and C will be cleared, but it will be a real job in one season. It costs $1,000 an acre and up just to get the trees off the land.

As much as 66 acres of neighborhood B may be opened up, extending the town well to the north. This particular section of Neighborhood B will be conveniently situated to shopping facilities in the Neighborhood A centre and to the city centre.

The stores in the city centre will really get rolling when neighborhood C begins to build up, as it lies on the opposite, west side of the city centre.

One aim of the planners is to enable the city to be more or less continuous, physically, all the time it is growing.

In laying out city centre, neighborhoods and industrial areas, they might have left gaps that would fill in only when the city reached its full growth. Instead, the stage-by-stage development of Kitimat is to keep the city knit closely together. Some cities that have planned big things have not achieved them, and are full of big holes that mark their perished hopes.

The growth of Kitimat to 50,000 population depends on a decision to use all the power available for aluminum production. When the presently developed power is all being used, Kitimat's population will be only 25,000.

**Why Site Was Chosen**

The choice of where to locate the first 5,000 permanent residents was carefully made.

Neighborhood A is on high land. Although it did need drainage after clearing, it would dry more quickly than other parts of the more accessible land.

It will have a large amount of multiple housing, because as the first neighborhood it has to bear a high share of the cost of the first roads and utilities. Only about 40% of the units will be single or double houses. There will be about five families an acre; this figure is influenced by the uneven topography, which makes land use less efficient to some extent.

Not all of Kitimat district is high ground, and the choice of the whole townsite as a unit had to be even more carefully made.

The Kitimat River is subject to flooding, with rises in water level of as much as 15 ft. in a few hours.

To avoid the cost of levees and the possibility of flood damage, a broad flood plain has been marked off where no building will be allowed.

The B. C. forestry authorities will see that trees on the watershed above the town are preserved. They help control run-off into the river, and also act to soak up the water to some extent.

If the watershed were denuded, there would be serious danger to the bridge between Kitimat and its service centre and railway would be washed out. The aluminum smelter, with its vital electrical installations, might even be flooded.

Will Kitimat stick to the plan? The stores and industries will be built by private capital, not by Alcan or the government or the municipality.

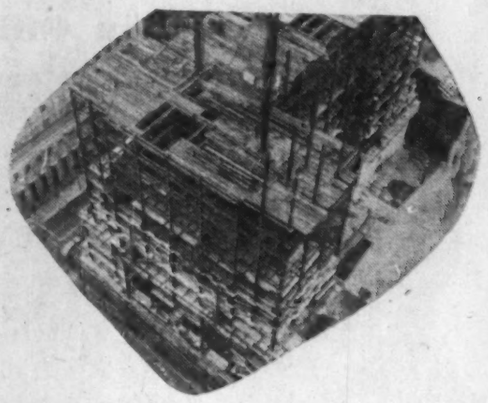
Three factors will tend to keep development in the channels carved out for it:

—conditions attached to the sale of land by the crown to Alcan and others and to the municipality;

—conditions attached by Alcan to sale and lease of land to others;

—municipal zoning and building code.

Alcan's restrictions on land use are very limited; the main responsibility for carrying out the plan will rest with municipal authorities.

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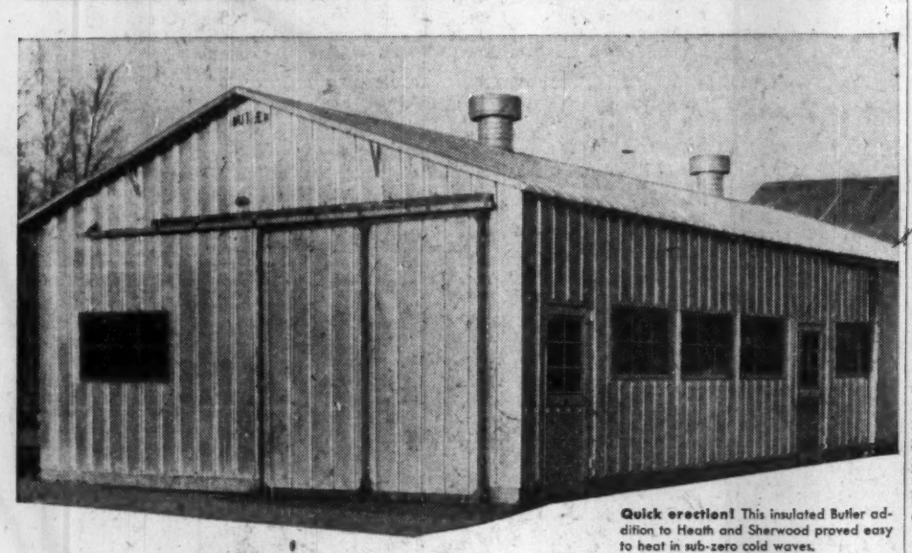

Quick erection! This insulated Butler addition to Heath and Sherwood proved easy to heat in sub-zero cold waves.

**"It paid us 4 ways... to expand with a BUTLER steel building"**

says Mr. E. W. Irvine, President, Heath and Sherwood Ltd., Kirkland Lake, Ontario

**"We planned to add** a second story to our present manufacturing building, to relieve costly congestion," says Mr. Irvine. "However we decided to erect a Butler steel building on adjoining property. This proved to be a highly profitable decision.

**"We saved two-thirds** of the original estimated cost for the second story. Our Butler building was the lowest-priced suitable structure. The capital conserved went a long way toward buying needed new machinery.

**"We improved plant layout** by moving welding and steel storage into the Butler building. This permitted efficient arrangement of major machines. It also removed a fire hazard from the main plant to the firesafe Butler building.

**"We avoided manufacturing delay** by expanding outside the main plant. Work went on as usual.

**"Our new facilities brought new business.** Due to our expanded plant we obtained an order we couldn't formerly handle. Our Butler building played an important and profitable role in our expansion program," reports Mr. Irvine.

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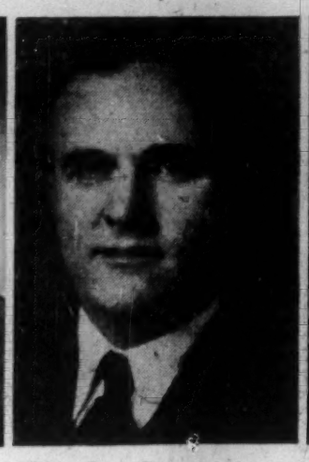

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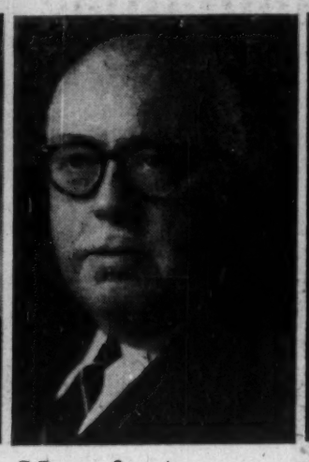

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# Trans-Continent Gas Pipe Would Be 'Biggest Inch'

## *How, Where They Plan Three Major Pipe Lines This Year*

A new natural gas era for Canada could be touched off this year by construction of three major gas pipelines. The projects will represent about the biggest engineering jobs ever undertaken in Canada. They would include the longest main gas line in the world.

There is still a good chance that the gas purchase and sales contracts and financing problems will be cleared up in time to permit an early summer start on Trans-Canada Pipe Lines $300 million Alberta-to-Eastern Canada gas pipeline.

Running from the eastern boundary of Alberta to Montreal the line will represent some 2,350 miles of "big inch" pipeline. This is a little over 100 miles longer than the big south-to-north gas pipeline of Tennessee Gas Transmission Corp. in U. S.

It will take two full construction seasons to build the trans-Canada pipeline which will be pushed forward by the greatest number of work spreads ever assembled on a pipeline job anywhere. The line will be of 34-inch diameter pipe from the Alberta border eastward to Winnipeg and 30-in. from there to a point near Toronto.

The Toronto-Montreal section will be constructed of 24-in. pipe and will have a 42-mile lateral of 14-in. pipe running from Morrisburg to Ottawa. A 54-mile lateral of 24-in. pipe will run south from Winnipeg to Emerson on the Manitoba-Minnesota border to tap a promising gas market in the St. Paul-Minneapolis area.

Pipeline steel tonnage is estimated to run around 625,000 tons and will all be imported since no Canadian pipe-making facilities exist that could roll such large diameter pipe. All Canadian plants see capacity operations ahead for some years, however, just providing the thousands of miles of feeder and lateral lines ultimately to be built in connection with the main gas pipeline.

### Supervising Firm

Bechtel-Mannix-Hester—a newly created pipeline firm—will supervise engineering, design and construction of the trans-Canada gas pipeline. This firm represents a merger of some of the best pipeline engineering brains on the Continent — Canadian Bechtel Ltd., Toronto, Mannix Ltd., Calgary and Oklahoma Contractors, Okla.

All parts of the construction work will be put up on a bid basis. As far as possible, Canadian materials and labor will be used exclusively.

The line will encounter relatively little terrain difficulty until it strikes the rugged Canadian shield country north of Lake Superior. A recent route alteration shifts the course from one paralleling the CPR line skirting Lake Superior to one further north running parallel to Highway 11. This more northerly route—although some 110 miles longer—will take the line close to some of the major Northern Ontario pulp and paper mills and mining camps. It will also travel through the Clay Belt — relatively flat country.

In the course of its route, the line will cross railways some 86 times; highways some 162 times. There will be 110 major river or lake crossings and 240 crossings of creeks and streams. The average trench depth will be 6 ft. so that the pipe will usually be covered by close to 4 ft. of fill. In rocky country where extensive blasting is necessary the pipe will be much closer to the surface. Unlike oil, gas is little affected by extremes in temperature and thus there is not the same necessity for burying the pipe deeply. Actual installation of pipe, however, is the same in both cases.

### How the Pipe is Laid

Trucks string pipe along the right of way; then ditching machine digs the narrow pipeline trench. Next the line-up crews move pipe close to ditch and line it up. Tractors with side booms next move lengths of pipe a couple of feet off ground onto trestles to enable welding crews to work right around pipe. There are three different welding operations.

Next, two tests are run on the welding job; a self-propelled X-ray equipment moves along the line stopping at every weld to take an X-ray shot. This is developed on the spot quickly and examined for welding flaws. Next a high air pressure test is run on the pipe.

A special scrubbing and priming operation comes next which removes scale and rust and paints a preservative coat on pipe at the same time. An application of a hot tarry coat is the next operation. Over this is wrapped a covering fibreglass and this in turn is tightly wrapped by a final coating of thick paper.

The carefully wrapped pipe is then lifted by large side-boom tractors specially designed for pipelaying and gently lowered into the trench. Bulldozers and draglines replace the earth.

### Westcoast Job

Another major gas pipeline construction job stands a good chance of getting under way this summer in B. C. Only the green light of the U. S. Federal Power Commission is needed to get the $140 million 30-inch, 650-mile pipeline of Westcoast Transmission Co. under way.

The line will run from the Fort St. John area of Peace River gas field in Northern B. C. southward through Vancouver to the U. S. border. If the job starts in June a tentative completion date is November, 1956.

Canadian Bechtel will be general contractors on the project and Ford, Bacon & Davis, New York, engineers. Bechtel will use the spread method of construction to build several sections of the line at once. If four spreads are used, for instance, the project will employ 1,500 men; for five spreads, 2,000 men would be needed. Pipe alone will cost some $40 millions; labor $45 millions.

It is a firm sale of 300 million cu. ft. of gas daily at a 90% load factor that makes a 30-inch line possible. B. C. by itself will take around 50 million cu. ft. daily the rest going to Pacific Northwest Pipeline Corp. for sale in Northwest U. S.

Westcoast is now so optimistic about the future of its gas sales to U. S. markets that it is already considering plans for a second 30-in. pipeline to funnel Peace River gas south for export to the rapidly growing U. S. market.

"If the rate of successful exploration continues there will be enough gas in three to five years to fill another 30-in. pipeline," Westcoast's vice-president George McMahon states, "and if the demand for gas in U. S. continues to increase as it has, then the market is there."

The two lines could push a billion cu. ft. of gas daily into the U. S. The plans call for the second line to parallel the first from Fort St. John south to Merritt. But from there it would cut straight south to the international border.

### Alberta Gathering Line

Another line—the Alberta Gas Trunk Line—is expected to get under way this spring with first stages scheduled for completion by fall. This is the gas gathering line that will tap the major gas producing fields in Alberta and carry the gas to a central point at the eastern boundary of the province for export eastward via the big-inch trans-Canada pipeline.

"It is evident as a result of these three major projects, together with the many necessary gathering and distributing lines that there will be a tremendous construction program within the next two or three years," N. E. Tanner, president of Trans-Canada Pipe Lines told the recent annual meeting of the Pipe Line Contractors Association at Los Angeles.

He said further that if the fast pace of development in Canada continues, another line similar to the trans-Canada line will be justified in another four years.

### Oil Pipelines

There will be no major oil pipeline construction jobs this year. But pipeline people are only looking on 1955 as a pause in a continuing pattern of pipeline construction in this country.

The main 1954 oil pipeline work was done by Interprovincial Pipe Line Co. and consisted of a $55 million expenditure on looping of some 600 miles of 24-inch and 26-inch line partly on the Canadian side and partly on the U. S. side of the border; and construction of five new pumping stations in Canada and four in U. S.

This summer Trans Mountain Oil Pipe Line will build 36.5 miles of new pipeline in Washington State. The project will consist of a 27.5-mile southward extension of the company's 20-in. spur line from Laurel to Burlington plus nine miles of 16-in. lateral line to be connected to the new Shell Oil Co. refinery now under construction near Anacortes, Wash. Cost of job is estimated at $2,750,000. Orders have been placed for some 5,500 tons of pipe for March delivery. Contract has been awarded to Engineers Ltd. Pipeline Co.

## Market Plastic Vapor Barriers

A company that has been well known for manufacturing sausage casings is now making cases to go around whole houses.

A new product on the market, a polyethylene vapor barrier, is now being offered in Canada.

Of pure polyethylene film, it claims the advantage of strength without bulk or weight. Lightweight reduces labor cost. The film does not deteriorate with age, gets brittle, or crack. It will not burn or flash, is puncture and tear resistant. Folding does not affect it, nor does it pinhole. It remains flexible down to temperatures as low as minus 70 deg. F., so can be used as easily in winter as in summer.

Humidity has no effect on the plastic film, because it will not absorb moisture. It is unaffected by acids, alkalis and caustics, the maker claims. Not only does it provide a moisture and water barrier but it also makes side walls air resistant.

When used in concrete forms, it makes water evaporation very slow, helps to make stronger concrete. Forms can be removed without oil and greasing.

The maker claims that no gravel or stone base is required under a slab when the plastic film is laid over a layer of sand. Since it is transparent, it can be used in sidewalls and opens to let light in but keep weather out during construction.

Visking Ltd., of Lindsay, Ont., is the manufacturer.


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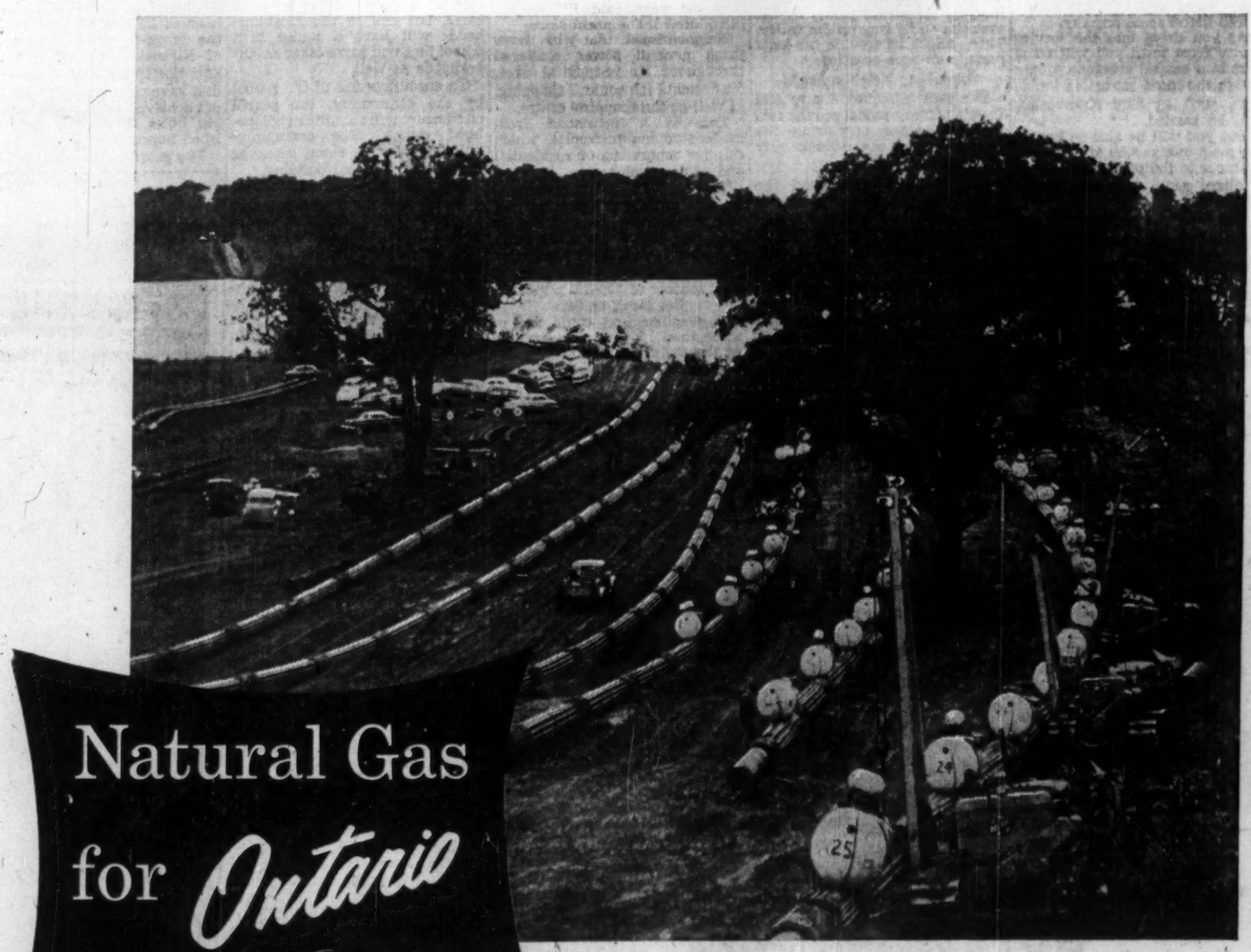

Natural Gas for Ontario

Preparing for dual crossing of Niagara River

Climaxing a fast schedule of engineering and construction, the Niagara-Toronto 20-inch gas pipe line has been completed for Trans-Canada Pipe Lines Limited under Bechtel management. At Niagara River it connects with another new Bechtel-constructed line in western New York.

The Niagara-Toronto pipe line is an integral part of the 2,200 mile Trans-Canada Pipe Lines system, which will transport natural gas from Alberta to Ontario and Quebec. As the first unit in this far-reaching project the Niagara-Toronto gas line is an important milestone in Canadian progress.

Wherever a pipe line is to be built the complete Bechtel service is available: *economic studies, basic* and *detail design, field engineering, procurement of rights of way* and *material,* and *construction.*

BECHTEL BUILDERS FOR INDUSTRY

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# Record of Construction Companies

## Anglin-Norcross

Anglin-Norcross Corp. is engaged in the general contracting and building business. Subsidiaries include Anglin-Norcross Quebec, Ltd., Anglin-Norcross Ontario Ltd., and Anglin-Norcross Maritime Ltd.

Late last year, a British general contractor with a world-wide organization bought a substantial interest in the company, and plans to expand the scope of its activities. The company, Holland & Hannan & Cubitts Ltd., of London, founded in 1815, has export branches in Africa, Burma, Trinidad and New Zealand; Anglin-Norcross represents its first major step into Canada.

The new association with the British company is expected to "increase the technical and constructional range of services available for the expanding economy of Canada for all building and civil engineering projects," it was stated. Canadian management continues to operate the company, with J. E. Harrington, for some years vice-president, succeeding P. N. Gross as president. Chairman of the Board is Rt. Hon. Lord Ashcombe.

Latest financial statement issued, for 1952, showed a consolidated net profit of $458,943, against $324,239 in 1951.

## Bird Construction

Bird Construction Co., Regina, is engaged in general construction in all its branches. Branches are operated at Winnipeg, Moose Jaw, Edmonton, Calgary and Lethbridge.

Net profits for 1953 (latest figures available) was $230,063, 70.9% higher than the 1952 net of $134,606. Earnings were equivalent to $9.52 as compared with $5.54 in the previous year. Dividends paid amounted to $2.50 in both years.

The company worked on 753 jobs during 1953, reported President D. S. MacDonald, with an improvement in costs over the previous years. At Lethbridge, the construction office and Bird Building Supplies were incorporated under one roof. The original construction office sold at a satisfactory price.

At Regina, property close to Bird Building Supplies was purchased to provide yard storage for construction equipment.

The labor payroll in 1953 amounted to $3,274,420. This compared with $2,659,313 in the previous year. Capital expenditures during the year amounted to $315,807.

The number of excavating units, said the president, had been decreased and the capital resulting was reinvested in additional gravel crushing capacity.

The balance sheet at Dec. 31, 1953, showed bank loans of $1,057,460, ($2,072,566 in the previous year); earned surplus of $1,357,362 ($1,888,848).

Capitalization outstanding at Dec. 31, 1953, amounted to 310, 5% cumulative preferred shares, $100 par, and 24,000 common npv shares. Working capital was $851,958 ($757,191).

## Brantford Roofing

Brantford Roofing Co. manufactured a full line of asphalt shingles, roll roofings, insulated siding, roof coatings, etc., sold to lumber yards, wholesale dealers, hardware and application companies and dealers from the Atlantic to the Prairies. The company also operated an asphalt emulsion plant.

Plants were at Brantford and Thorold, Ont., with a subsidiary, Brantford Roofing (Maritime) Ltd. operating at Coldbrook, N.B.

Dominion Tar & Chemical acquired control of Brantford Roofing late in 1953. All properties were transferred to the new parent company at the end of 1954. Latest earnings available are for 1952, when net profit totaled $124,439. The company's entire outstanding capitalization is now owned by Dominion Tar.

## Building Products

Building Products Ltd. manufactures asphalt shingles and tiles, roll roofing, roofing felt, wallboard, insulating board and sidings, building papers, expansion joints, waterproof paints and cements, fire retardant coatings and allied products. Trade names include: B.P., Neponset, Ruberoid, Bird's, Vulcanite, Insul-Board, Insul-Bric, Insul-Board Dry Wall, Alpi, etc.

Over 50 different types of roofing and other building products are marketed.

Last summer, the company completed a new $1.5 million paper mill in Edmonton, initially geared for production of 20,000 tons annually. Capable of considerable expansion, the mill was built adjacent to the company's roofing plant, giving Building Products a completely integrating roofing operation.

Other plants include: at Pont Rouge, Que., a two-machine paper mill with facilities for converting part of the paper output into wallboard and insulating board; at Montreal a one-machine paper mill making roofing felt and shingles, and a roofing plant producing asphalt roofing, shingles and sidings and building papers; at Winnipeg a one-machine paper mill with facilities for converting part of the paper output into wallboard and insulating board, and a roofing plant. Roofing plants are also operated at Hamilton and Edmonton.

The company also has a rock-crushing and coloring plant at Havelock, Ont., quarries and a rock-crushing plant at Madoc, Ont., and warehouses at Toronto, Halifax, Montreal and Saint John.

With the revised housing legislation of 1954 just now becoming really effective in making ample mortgage funds available, and the material and labor supply having demonstrated that construction of over 100,000 dwelling units annually can be handled without undue strain, President L. F. Long said recently, there seems no good reason why 1955 should not be another good year for residential construction. Manufacturers of building materials should have correspondingly good volume, he added.

President Long felt that competition, and hence pressure on prices, will probably increase. In addition, with pressure for higher wage rates continuing, management will find it increasingly difficult to maintain profit margins.

Net profit in 1953 totaled $1,710,778, against $1,564,101 in 1952. Earnings per share amounted to $3.54 vs. 3.24.

## Canada Crushed & Cut Stone

Canada Crushed & Cut Stone Ltd., Hamilton, processes crushed stone, chemical stone, agricultural limestone and high-grade dolomite. Company has plants at Dundas and Hagersville, Ontario. Company also has warehouses at Hamilton and approximately 1,200 acres of quarry properties.

Control of the company was acquired ate in 1952 by Steetley of Canada Ltd. (see separate article) by purchase of 125,000 common shares for $1,062,500. The two main plants have a combined capacity of over 5,000 tons a day on a one-shift basis, and total tonnage in the two quarries is estimated at 110 million tons.

The company has three subsidiaries — Ritchie Cut Stone Co. which operates a stone cutting mill at its plant in New Toronto; Queenston Quarries Ltd., wholly owned subsidiary which owns and operates a stone cutting plant and quarries near Niagara Falls, Ont.; National Cut Stone Ltd., wholly owned subsidiary, which cuts and fabricates all types of limestone and marble at is plant in Toronto.

Company also has interests in National Slag Ltd. which was formed in 1953 by Standard Paving & Materials Ltd., Buffalo Slag Co., and Canada Crushed & Cut Stone, under agreement with Stelco of Canada, for the purpose of processing blast furnace slag.

Consolidated net profit for 1953 (the latest available) was $288,836. This was 28.3% higher than the 1952 net of $225,080.

President R. G. L. Harstone reported that the crushed stone, building stone and cut stone operations were satisfactory.

Expenditures during the year included $328,432 on capital account, $44,798 for purchase of additional preferred shares in Ritchie Cut Stone Co. and $52,500 preliminary investment in National Slag Co.

Earnings were equivalent to $59.60 per preferred share ($45.02 in 1952),and $1.36 ($1.03) per common share. Dividends paid on the preferred share amounted to $6 in both years. No dividends were paid in either year on the common shares.

Capitalization outstanding at Dec. 1, 1953, consisted of $484,600 6% cumulative preferred shares, $100 par, and 190,000 common n.p.v. shares.

## Canadian Dredge & Dock

Canadian Dredge & Dock Co. is engaged in general dredging work, the construction and improvement of harbors, canals, breakwaters and channel facilities and other marine work in the Great Lakes—St. Lawrence River waterways and on the Atlantic coast. The company also engages in general construction work and repairs.

The floating equipment consists of several units comprising hydraulic, bucket ladder, dipper and clam-shell dredges, steam and diesel tugs, drills, derricks, submarine rock drills, scows, general contractors equipment.

A dry lock and shops for marine construction and repairs are maintained at Kingston, Ont.

Consolidated net profit of the company for the 16 month period ended April 30, 1954, was $411,423. In 1952, consolidated net was $164,600.

The change in company's year-end was made so that necessary repairs resulting from each season's operations could be done and accounted for within the current fiscal year, said President C. R. Redfern. The president said that it was hoped that with the opening up of the power and seaway phase of the St. Lawrence development, it would obtain a fair share of the marine operations involved. Much additional work should result from consequent deepening and dock construction necessary in harbors throughout the Great Lakes.

At a special general meeting in August, 1954, three bylaws were passed.

The first provided for a four-for-one stock split on the 150,000 outstanding n.p.v. common shares. The second provided for a change of the head office of the company from Midland to Toronto and the third provided for an increase in the board of directors from nine to ten. Earnings per common share with a 16 month period ended April 30, 1954, amounted to $4.34. In 1952 earnings were $1.74. Dividends of $1.70 were paid in both periods.

The balance sheet at April 30, 1954, showed a bank loan of $360,875 which compares with $960,000 at Dec. 31, 1952. Earned surplus amounted to $2,260,395 ($2,010,089). There were 379,100 common n.p.v. shares outstanding at April 30, 1954. Working capital amounted to $1,385,843 ($1,353,357).

## Cooksville Co.

The Cooksville Co. manufactures face, pressed, paving and common brick, quarry hollow building tile, rubble and flag stone, concrete blocks, mortar plasticizers, an aggregate known as "Haydite" used instead of gravel in mixture concrete, and Haydite Roof Deck.

Plants are at Cooksville and Scarborough, Ont. In addition, a wholly owned subsidiary, Aerocrete Construction Co., manufactures lightweight roof deck and flooring at plants on leased property at Scarborough, Ont. and Montreal East.

Laprairie Co., a second subsidiary, operates four brick and tile plants in Quebec. A third, Interprovincial Brick Co., manufactures brick at Milton and Cheltenham, Ont.

Control of Cooksville Co. was acquired late in 1953 and early in 1954 by Dominion Tar & Chemical Co. Dominion acquired all the outstanding 89,000 class A shares and 89,000 class B shares, making Cooksville a wholly owned subsidiary.

Since then, separate financial statements have not been published. In 1952, Cooksville Co. showed a net profit of $777,309, compared with $976,874 in 1951.

## Canada Flooring

Canada Flooring Co. operates a flooring business, with a plant at Montreal in the Town of Mount Royal. Specializing in hardware flooring of all kinds and doing custom kiln drying, it has a capacity of three million feet monthly and is the largest producer of floor wood in Canada.

Through a plant modernization program launched a few years ago, facilities have been expanded considerably. And early in 1950, the company incorporated a wholly owned subsidiary, Rockland Lumber Co., which operates a wholesale and retail business in hardwood lumber.

Annual report for the year ended Oct. 31, 1954 is expected to be issued shortly. Prospects for that fiscal year were considered good.

In 1952-53, the company showed a net profit of $77,683, compared with $30,684 in 1951-52.

(Continued on page 65)


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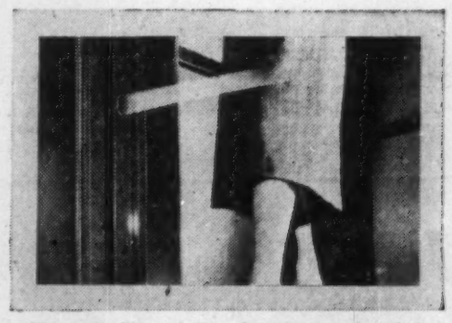

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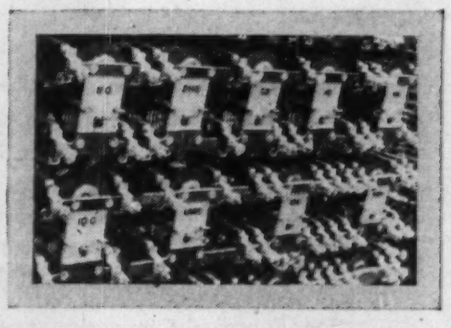

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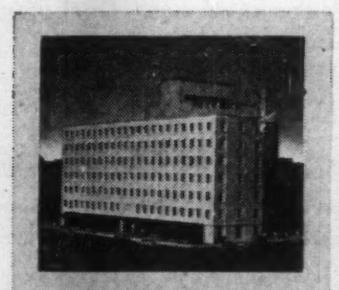
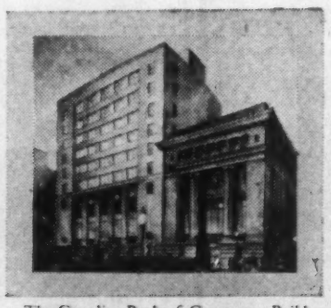
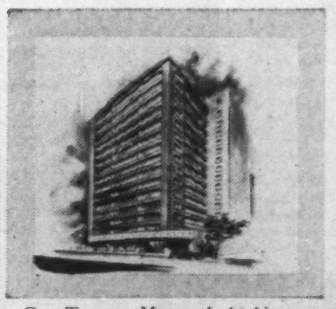


Crown Life Building, Toronto. Architects: Marani and Morris. General Contractors: Pigott Construction Co. Ltd.



The Canadian Bank of Commerce Building, Vancouver. Architects: McCarter & Nairne. General Contractors: B.C. Bridge & Dredging Co. Ltd.



Guy Towers, Montreal. Architects: Greenspoon, Freedlander and Dunne: General Contractors: Louis Donolo, Inc.

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# Seaway Brings a New Look To a Montreal Bridge

## *Double Traffic But Also Speed It Up*

MONTREAL (Staff) — A prime example of the diversified influence of the St. Lawrence Seaway and power project was provided with the announcement of a $6.3 million project to renovate Victoria Bridge and equip it to meet seaway and motor traffic demands.

Victoria Bridge is one of three bridges which link Montreal to the fast-growing south shore district.

The bridge will cross the channel over a lift span which trains and motor vehicles will use when no ships are in the vicinity and the span is down. When the span has to be raised, trains may have to wait but motor traffic will not. The latter will be diverted along the canal embankment leading to a moveable highway bridge.

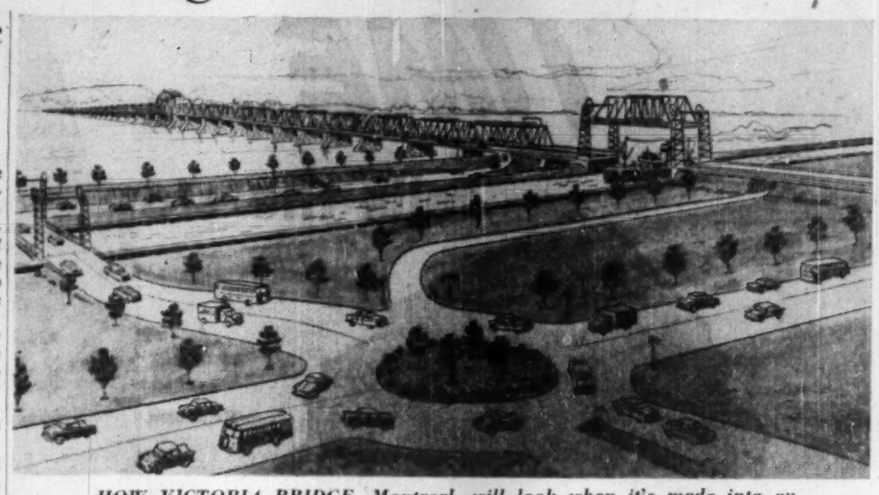
Work on the project, including the immediate area, will begin "as soon as possible" and is scheduled for completion by the end of navigation, 1958. This would coincide with the opening of the seaway.

It will:

—Double, perhaps triple, vehicular traffic across the bridge;

—Create a new highway on the bridge;

—Speed up motor traffic, and ensure it will not be interrupted by ship movements.



*HOW VICTORIA BRIDGE, Montreal, will look when it's made into an expressway. Sketch shows bridge open, vehicles taking alternate route across ship channel and along embankment to rejoin the bridge. The highway circle (foreground) collects traffic from adjacent streets, sends it through two approaches.*

These are a few of the improvements which will cost the CNR — owner of the bridge — $2.3 millions for improvements to bridge facilities including the new highway, and the St. Lawrence Seaway Authority $4 millions for approach work.

**Study Ship Movements**

At present, the Seaway Authority and railways are studying controls which will govern the timing method of movement of ships through the channel. The sharing of delays between ship and rail traffic is also under study. These will ensure that the characteristic of the traffic will establish a pattern for the regulation of operation and keep rail and shipping delays to a minimum.

The new highway is to be built on the part of the bridge which is now used by electric cars and will be a one-way road for Montreal-bound traffic. The existing two-way motor road on the west side of the bridge will become a one-way road for outbound traffic.

This bridge road may be completed within seven months after the start. However, the over-all plan, including clover-leaf approaches on the south shore, has a completion date for late 1958. The plan also will eliminate the Montreal & Southern Counties Railway.

The CNR will use the main line railway tracks to provide a temporary passenger service to South Shore communities. This will add considerably to the railway's transportation problem. (The main line across Victoria Bridge already is burdened with one of the heaviest loads of railway traffic in Canada.)

When the two motor lanes are ready for use by bus operators and motor traffic, this temporary rail service will be discontinued.

The plan will more than double the motor carrying capacity of the bridge. Because there will be no conflicting currents of traffic for drivers to contend with under the one-way layout, motorists will be able to drive at faster speeds than at present. This will increase the traffic capacity of the bridge still further and it is thought under the new arrangement three times as many cars will be able to use the bridge as can do so now.

At the moment there is only one roadway which must handle both incoming and outgoing traffic. This lane is only 16 ft. wide and consequently safety limitations have been imposed on the size of the vehicles permitted to travel on it. As a result, busses have not been able to use it.

With the new contra-directional facilities, they will be able to travel over it.

**Toll Booth Changes**

The car-carrying capacity of the bridge and the acceleration of the traffic across it will also be aided by the time-saving changes in toll collecting methods. Under the plan, all booths will be established at the Montreal end of the bridge only. Those at the St. Lambert end will be abolished.

At the Montreal end there will be a toll booth for each lane to be situated on the outer shoulder of the lanes. The centre booth which is now being used will disappear and the new arrangement will eliminate a rush-hour traffic bottleneck.

At the St. Lambert end of the bridge, there will be the two diversionary motor routes, one for cars entering the bridge and one for cars leaving it. When the lift span has to be raised, directional lights will divert motor traffic to these diversionary routes along which they will be able to move without interruption. The additional time consumed will not exceed a couple of minutes and will be compensated for by non-interference with the normal flow of motor traffic.

Although the Victoria Bridge is one of the oldest existing bridges in Canada, built in 1860, and remodeled to its present form in 1901, it is one of the sturdiest. It contains a great deal more steel than is usual in bridges of more modern design.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# B. C. Goes In For Toll Bridges

## *Multi-Million Dollar Schemes To Span Major Rivers*

British Columbia's Social Credit Government is spanning major rivers with spanking new multi-million dollar bridges at a record rate.

Last year at this time major bridge construction was at a standstill. Now the Government has one under construction, one on the drawing boards for which tenders have been called, one in the planning stage, at least two more under active investigation.

In addition, the Government on Jan. 20 pulled off what many consider its neatest deal yet—purchase of the graceful Lion's Gate span across the entrance to Vancouver Harbor for less than what it cost the Guinness interests to build it 17 years ago.

All this is the result of Social Credit legislation passed at the second session of the provincial Legislature in 1953. At that time the Government set up the B. C. Toll Highways and Bridges Authority to provide angry motorists with the crossings they have demanded for years.

The move wasn't popular with Opposition members of the CCF and Liberal parties in the House. They saw toll bridge building as a return to the "middle ages." But Premier W. A. C. Bennett said a toll bridge was better than no bridge at all, and he moved ahead with his plans.

The new bridges the Government is building are all toll structures. Although tolls will eventually pay the cost, the Government introduced a unique feature in its toll authority bill to help underwrite costs.

Under the bill, the Government will pay from consolidated revenue each year an amount equal to 2½% the original capital cost of each bridge. At the rate at which the Government can borrow money—5% or less—bridge costs will be retired in half the time it would take if tolls alone were used.

**Over The Fraser**

The toll authority was empowered under the original act to borrow an aggregate $20,000,000 for purchase and construction of toll bridges and highways. Now the Government is committed to spending at least $17,500,000 of that and will have to raise the borrowing limits in the act this session.

First toll bridge to go under construction was the two-lane Agassiz-Rosedale bridge, linking the two communities across the Fraser River about 60 miles east of New Westminster. Tenders have been called for both the substructure and superstructure, at a total cost of around $3,500,000, and the span will be open for traffic next year.

Tenders have been called and are returnable in February on the Oak St. bridge in Vancouver. This span will cost an estimated $8,000,000 and give motorists access to Vancouver International Airport and to the U. S. along a superhighway the Works Department plans eventually to build.

When this bridge is built the rickety old Marpole Bridge, a major issue for decades, will be demolished. This two-lane swing span has prompted more bitterness between provincial, federal and civic authorities than any other bridge in British Columbia.

None of the three governments wanted to accept responsibility for replacing the dilapidated structure. Premier Bennett is going to replace it with his new four-lane Oak St. bridge and charge tolls. It will be a free bridge, he said, if Ottawa and Vancouver ever decide to pay one third the cost each.

Another project linked with the Oak St. bridge is a bridge or tunnel at the south arm of the Fraser. This huge project is in the works for the Toll Authority, and crews are now determining the type of crossing best suited and where it will be located.

If and when built, it will replace an ancient ferry and give Vancouver motorists a high-speed freeway. It will put the American border only 20 minutes away. Present route winding through Vancouver, Burnaby and New Westminster takes more than an hour.

**The Kootenay, Too!**

The Toll Authority, which the premier heads, is planning to construct a third toll bridge across the Kootenay River to link Nelson with Creston. No estimates are available on cost, but charges are expected to run as high as $6,000,000.

Under investigation is a fourth bridge or causeway across Okanagan Lake at Kelowna. A Vancouver bridge engineering firm is studying this problem now. About 1¾ miles of lake water will have to be spanned.

And the Premier has promised to erect a third crossing over Burrard Inlet, Vancouver's harbor. Two bridges cross this water now; the Government-owned Lion's Gate Bridge and Second Narrows Bridge, property of the CNR.

The First Narrows Bridge Co., formed by the Guiness interests, built the Lion's Gate bridge for $6,000,000 in the 1930s to develop residential property on the north shore of the inlet. Traffic has boomed since the war, and construction of new roads north on Howe Sound has plugged the three-lane structure.

Late last year the company announced plans for a $17,000,000 twin span. It asked the Provincial Government to amend its charter to allow higher tolls to underwrite the cost. Premier Bennett said no, and threatened to build a competing structure unless the company would erect their span and charge the same toll as now exists on Lion's Gate Bridge.

The company gave up. In the middle of January the Government announced it had bought Lion's Gate Bridge for slightly less than $6,000,000. Now the Government through its toll authority is studying the inlet crossing problem and will decide this year where to locate a third span.

**Dozens More**

A great number of rail and highway bridges are on the books this year. They are made necessary by the Government's program to extend the Pacific Great Eastern Railway from Vancouver to Squamish, where end of steel is, and from Prince George up into the Peace River country.

Highways Minister Philip Gaglardi has said that "dozens" of new bridges will have to be constructed, many of the long trestle type, if the railway is to withstand the onslaught of ice in winter and flash flood in spring.

More than 300 bridges and culverts were replaced on British Columbia highways in 1954 and an equally large number are expected to be replaced this year as the Government steps up its program.

In addition, several major bridges are needed for the upper levels highway, now under construction between Vancouver and the busy ferry terminal at Horseshoe Bay.

An unknown number of major bridges will be built on Vancouver Island by major lumber companies receiving forest management licenses from the Government. Under a new deal on the licenses, companies receiving the vast acreages for logging must widen and improve their logging roads into highways to open up the territories for the public, and bridges across streams and ravines must be up to certain load and stress specifications.

Government authorities predict that the Toll Authority will be a spur to putting in bridges where local governments are unable to finance ambitious crossings.

Public works officials are working in reverse in other parts of the province. They're eliminating bridges wherever they can and replacing them with fill and culverts.

On the whole, the bridges being removed range from 25 ft. to 80 ft., and they span minor water courses. By replacing them with fill, the department saves on maintenance, a large part of the public works appropriation.

More than 225 bridges have been eliminated on all B. C. highways since this program began about two years ago, and more minor spans are due to go this year.


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*HURRICANE HAZEL's flood waters shattered bridges, some of them important traffic links, throughout the Toronto area last fall. But within hours, engineers had replacement spans in place. The city's 2nd Field Regt., Royal Canadian Engineers, a reserve unit, had this 100-ft. Bailey bridge in place over the Don River within eight hours. The remnants of the original bridge lie crumpled in the river below. Reserve troops of the 2nd Field Regt., virtually all construction men in civil life, including the commanding officer, Lt.-Col. R. H. Milne, were called to active service as engineers or architects.*

# Road Builders Must Beat Muskeg

## *Here's Where The Key To Northern Development Lies*

***As the need for defense and development highways into the northern areas of Canada becomes more pressing, the problems of building serviceable roads on muskeg and unstable ground loom large. In an address to the annual convention of the Canadian Good Roads Association in Toronto recently, R. M. Hardy, dean of engineering at University of Saskatchewan, discussed the subject. Here is a digest of his talk:***

**By R. M. HARDY**

Highway construction today is a highly mechanized mass-production operation, using a wide variety of raw materials which must be transported and upgraded or processed in a more or less continuous operation. The processing or upgrading of a soil is a matter of mechanical compaction, and possibly treatment with certain so-called stabilization materials, such as asphalt, cement, calcium chloride, and so forth.

A major difficulty, however, is that the physical properties of the treated soil may vary widely with climatic changes and the procedure followed in handling the natural soil material. Moreover, the finished product is far from being one such as steel, aluminum or timber whose properties will vary only slightly over long periods of time. In contrast, the properties of the processed soil may change radically with climatic cycles, seasonal and even daily variations in temperature, and moisture conditions. Yet the road structure is expected to be capable of satisfactorily carrying a certain maximum weight and density of traffic under the worst of these conditions which may develop. Moreover, the road structure must remain stable as to side slopes, resistance to frost action and marked variations in subsoil moisture conditions.

In other words, the road engineer deals with a wide variety of natural materials, and not only must he know the characteristics of his road at the time of its completion, but he must be able to predict what these will be subsequent to construction after being subjected to a wide range of climatic conditions. Therein lies his major difficulty.

Let us consider briefly the present status of compaction of soils for highway construction purposes. Compaction provides the most economical method available for upgrading a natural soil which is to be incorporated into a highway grade. Moreover, a very high percentage of the mileage of new highway construction involves the use of materials which will benefit greatly in strength and durability properties from compaction.

The pioneer work of Proctor concerning the moisture-density relationships for a soil and the control of field compaction paved the way on this continent for comprehensive research projects on the subject during the past 25 years. Major contributions to the knowledge in this field have been made by the British Road Research Organization, as well as by several of the larger organizations in the United States interested in highway and airport construction research. A limited amount of research work has also been undertaken in Canada during the past ten years.

**Problems Not Understood**

To the extent that I am able objectively to assess the situation in Canada at the present time, it appears that in most provinces the design engineers are well aware of the benefits of compaction. However, there is, in general, a serious lack of understanding both of the principles and benefits of compaction among the engineering staffs whose responsibilities include the supervision and field control of construction.

An adequate understanding of the principles of compaction appears to be even more woefully lacking among the contracting organizations. And this is despite the fact that the contractor stands to gain most in economy of his operations by strict control of his compaction procedures based on the research information that is available to his engineering staff for the asking.

In my judgment, the trend in Canada during the past ten years, by which more and more of the control of compaction operations is taken out of the hands of the contractor and made the responsibility of the inspection staff under the terms of the specifications, is bad. It may result in an adequate job if the inspection staff available is competent, but it makes no provision for procedures on the contractor's part which will take advantage of the best available knowledge on the proper selection of equipment and moisture control on the job to achieve the maximum economy of operations.

The generalization I would make from this analysis is that we may expect the highways of tomorrow to benefit greatly in quality and economy from a wider application of the known principles of compaction to highway construction. To take advantage of these, the need in Canada today is for a wider dissemination of the results of recent research among all levels of personnel in the highway construction business who are capable of understanding them and applying them to their individual problems.

**What Is Needed**

The prime need, therefore, is nothing more or less than an educational program. Surely therein is a field in which organizations such as the Canadian Good Roads Association, perhaps in co-operation with others such as the National Research Council, can make a substantial contribution in hastening the day on which our construction practice will be able to take maximum advantage of presently available knowledge.

The second problem to which I would briefly direct your attention concerns road construction in muskeg areas. Research concerning muskeg is a field that has been pioneered by R. F. Legget under the auspices of the National Research Council. For the purposes of this discussion, muskeg will refer to the organic cover plus the wet and highly unstable soil immediately below, which supports the growth of the "organic terrain." This is in contrast to the more scientific definition of muskeg as being only the organic surface material. In defense of this temporary definition may I explain that any separate definition of the wet soil immediately underlying the organic cover of which I am aware is understandable only to a construction man and is unprintable.

In contrast to the situation presently existing in the field of compaction, where an extensive backlog of research data awaits its appreciation and application in our construction practice, the "know-how" and experience of the practical construction man is considerably in advance of the application of scientific methods to the problem. This statement is made very advisedly and with due deference to the most valuable contribution made to data by Mr. Legget and his associates in this field.

Standard techniques for road construction in muskeg areas involve floating the road-bed on top of the muskeg with or without the use of "corduroying" or "punch-in"; displacing the underlying unstable material, thus sinking the road embankment to a stable bottom by means of blasting, hydraulic pressure or simply weight of embankment; or by preconsolidating the underlying unstable material by the use of sand drains and a surcharge of embankment material.

The hazards in floating the road-bed on the muskeg are, first, that if a certain limiting height and cross-sectional dimension of embankment are exceeded, then the underlying material will be failed in shear; second, large and irregular settlements are to be expected; and third, serious damage from frost action may occur.

If the underlying muskeg is failed in shear, then at such locations the construction has, of its own accord, reverted to a case where the displacement technique must be used. The yardage of embankment material required may then become excessively high. At one such location on the Alberta highways a few years ago no less than 300,000 c.y. of fill were required to stabilize a section of road only 300 ft. long following a shearing failure below the road embankment.

Theoretically, the safe embankment height against a shearing failure and the magnitude of settlement to be expected can be computed, but such computations require a knowledge of the physical properties of the muskeg material. A height of 10 ft. was arrived at in one such computation in my own experience. This was subsequently proven to be correct within an accuracy of about 10% by failure of the embankment where the computed height was exceeded.

**Further Study Needed**

However, only the most meagre data are available on the range of shearing strengths and consolidation characteristics of muskeg soil. The successful application of such analyses awaits the results of further research.

The displacement methods are economical for only shallow depths of muskeg. The depth to hard bottom may be as much as 50 ft. and may even exceed 100 ft. In such cases the cost of the displacement method becomes excessive.

The use of sand drains with the preconsolidation technique has been fairly successful on some high-quality highways in the United States. The New Jersey turnpike is the most notable example. The method has had little, if any, application in Canada because of its high cost in relation to the low density of traffic in most areas in Canada where it potentially could be of value.

We in Canada perhaps have a greater economic interest in the problems of road construction in muskeg areas than has any other country in the world. We cannot, therefore, expect our most generous neighbors to the south or across the seas to solve them for us—they just do not have them to the extent that we do. If we are to win the advantages of improved quality of road and substantial economic savings we must tackle these particular problems with our own personnel and using our own financial resources.

One ray of hope which has recently appeared on the horizon that could result in more startling advances is chemical treatment in the stabilization of soils. It has been proven on a laboratory scale that comparatively small percentages of certain inexpensive chemicals, or even trace amounts of other more rare chemicals, can produce marked changes in the physical properties of soils. One such compound which is of particular interest to us in Canada is spent sulphite liquor from the paper industry. Its dispersant characteristics and relatively low cost make it a very attractive possibility for the economical treatment of soils to prevent migration of water to the frost line during freezing temperatures, with the resultant heaving and development of frost boils.


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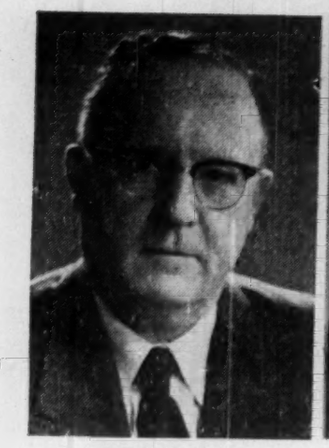

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# Color Makes You Cheery, Keeps You Calm

## *Here Are The Principles Of A Weapon For Wellbeing*

***Color is an important factor in working and living conditions. It raises working efficiency. It's specially important in hospitals to create the best environment possible for patients' recovery. Here is an authoritative discussion of how to use color, from the recently issued "Guide to Hospital Building In Ontario" (University of Toronto Press, $10) compiled for Ontario Department of Health by a committee headed by Prof. Eric Arthur. Most of the principles apply in some degree to other types of building.***

Eminent psychiatrists — European and American — have long recognized the effect of color on "the tired businessman," the neurotic woman, the high-strung child, and its therapeutic value in creating harmonious, healing atmospheres.

An extensive source of color-therapy case histories dating back over a period of years is found in European sanitora, institutions and hospitals where authorities, for almost half a century, have used color and decoration in their buildings as helpful therapeutic tools.

Colors and types of patterns positively harmful in their effects on patients are now known, grouped and classified. Studies have been made of special-type patients, such as the mentally ill and delinquent; what excites, disturbs, or depresses them; what induces repose, creates an atmosphere of harmony and improves the patients' outlook and happiness.

Such information has helped to establish basic principles which should guide the architect in his treatment of each new hospital problem as it presents itself.

What procedure should an architect follow in his endeavor to specify power color in hospitals? To begin with, he should take note of some of the peculiarities of vision which are fundamental to the solving of his problems. These are inherent in the construction of the human eye, and in its system of transmitting visual impressions to the brain.

In spite of its marvellous accuracy and adaptability as an instrument of sight, the eye permits discrepancies in its operations which would never be allowed in a man-made tool of precision. Among those which should be taken into account, are simultaneous contrast, after-image and warm and cool colors.

**Color Effects**

The eye sees no color within its field of vision as a fixed quantity, but only as modified by the simultaneous perception of adjacent colors. The color seen is modified as to hue, value and intensity. As to hue: each color seen will tend to cast a tinge of its complementary upon those adjacent to it. As to value: dark colors will make adjacent ones appear lighter, and vice versa. As to intensity: strong colors will weaken adjacent colors.

This phenomenon of vision is perhaps the one most frequently overlooked in the specification of color. Materials which are to be placed contiguously in a building are often chosen separately without regard to their interaction, sometimes with surprising final results.

This peculiarity of vision may be used to advantage by painting walls a pale grey tint where a high reflection is necessary, and painting an adjacent wall a slightly richer complementary hue. The grey wall is thus forced into apparent color, without losing its high reflective value.

The eye tires quickly of any color upon which it is focussed, and tends to record, immediately afterward, the complement of that color. If one gazes intently at an orange spot, and then looks quickly at white paper, an after-image will result from this phenomenon of vision: the second color viewed may be enhanced by the after-image remaining from the first (as red seen after green); it may be weakened (as pink seen after red); or it may be influenced toward a different, but not necessarily unpleasant color (as yellow which is seen after orange).

The effect first mentioned might be exploited by the use in the hospital corridor of the complementary color used in the wards. Thus, by the time he has walked through the lobby and then the corridor, the hospital visitor is visually weary of the corridor color and ready to see its complementary — a fact which will further enhance the color scheme of the ward.

The second effect mentioned above, the weakening of the second color, is one to be avoided in planning, and the third, the changing, must be estimated for its probably good or bad result.

**Helping the Surgeon**

Application to hospital work will depend upon the answer to the question: what effect will after-image produce upon the particular problem under discussion? Will a warm or cool after-image be desirable or not? For instance, if a large interior should look cool and spacious, a strong orange or red in the vestibule to that space will help accomplish the effect. This pnenomenon may be utilized in establishing the color scheme of an operating room.

The walls of an operating room should be tiled or painted in a color which should complement the color of fully coagulated blood in order that the surgeon's vision might be relieved and refreshed as he looks up from his work. This blood color is not the rich warm red of fresh blood, but a dark purplish red, to which the complement is warm grey-green.

Even inexpert colorists are aware that, for most people, colors containing a predominance of red feel warm; that those containing much blue feel cool, and that the former seem nearer, the latter farther away than their true distance from the eye. Red-orange, in strong intensity, and blue in light value and weak intensity recedes farthest though, for some, the reverse is true.

A fact little realized is that only yellow and purple appear to hold their position in space. This phenomenon holds true, not only for pure hues, but for delicate relationships in tints, shades and tones. For example, a long narrow room or corridor may be shortened in appearance by painting the end walls in a dark value of an advancing color like burnt orange or maroon.

Conversely, small rooms may be given greater apparent dimensions, by the use of a light tint of a cool color—pale turquoise, aquamarine, leaf green—for walls and, perhaps, ceiling.

**Cheery Yellow, Calm Blue**

Moreover, illusions of a higher and lower temperature may be created by the same means. It follows that rooms of a southern exposure — including all wards, should use tints of a cool color. It is very desirable that any rooms facing west, though it is to be hoped that no wards are in this category, should also use tints of a cool color.

In interior rooms lacking an outside window, or in those areas likely to create an uncomfortable feeling in the claustrophobe, the same color specification should apply. Rooms facing north, such as the utility rooms, should use tints of a warm color.

In addition to the visual phenomena noted above, the architect will want to give attention to certain psychological associations of colors which are not visual but mental. In hospitals, and ranks high in popularity, therapeutic color is now standard practice. Moving around the spectrum, we note that yellow, the color of sunshine, is the color of cheer, and an asset to rooms of northern exposure. Green has little actual effect upon human emotions. To the unimaginative or timid colorist, green has taken the place of white, ostensible for its "restful" quality, but in point of fact, for its neutral quality. Blue is definitely a calming color, being first among men and children, and second among women. Purple is a depressing color, rarely to be used in hospitals. Red is obviously stimulating, but is a color to be used with discretion in hospital work. Red ranks first among women in color preference. In fact, women reveal a distinct preference for the warmer part of the spectrum; men for the cooler.

Hues occurring between the five mentioned, with their variations in value and intensities, furnish material for inducing any psychological reaction desired.

Colors are far from infinite in number. Theoretically, some 150 hues are discernible by the eye in the spectrum of sunlight. Multiplied by 10 for variation of value in each hue and again by 10 for variations in intensity at each value level, the figure of 15,000 possible colors is reached.

However, in practice, a total of 1,000 colors is probably the maximum required by any architect. Prepared systems of color chips range from 400 in number (too few to afford adequate choice) to about 1,000, which is sufficient for most purposes.


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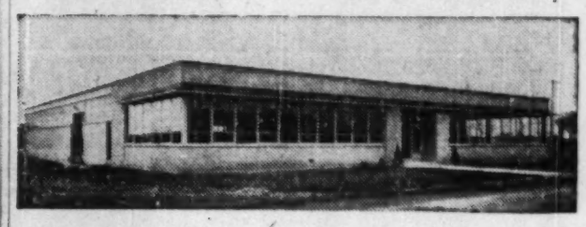

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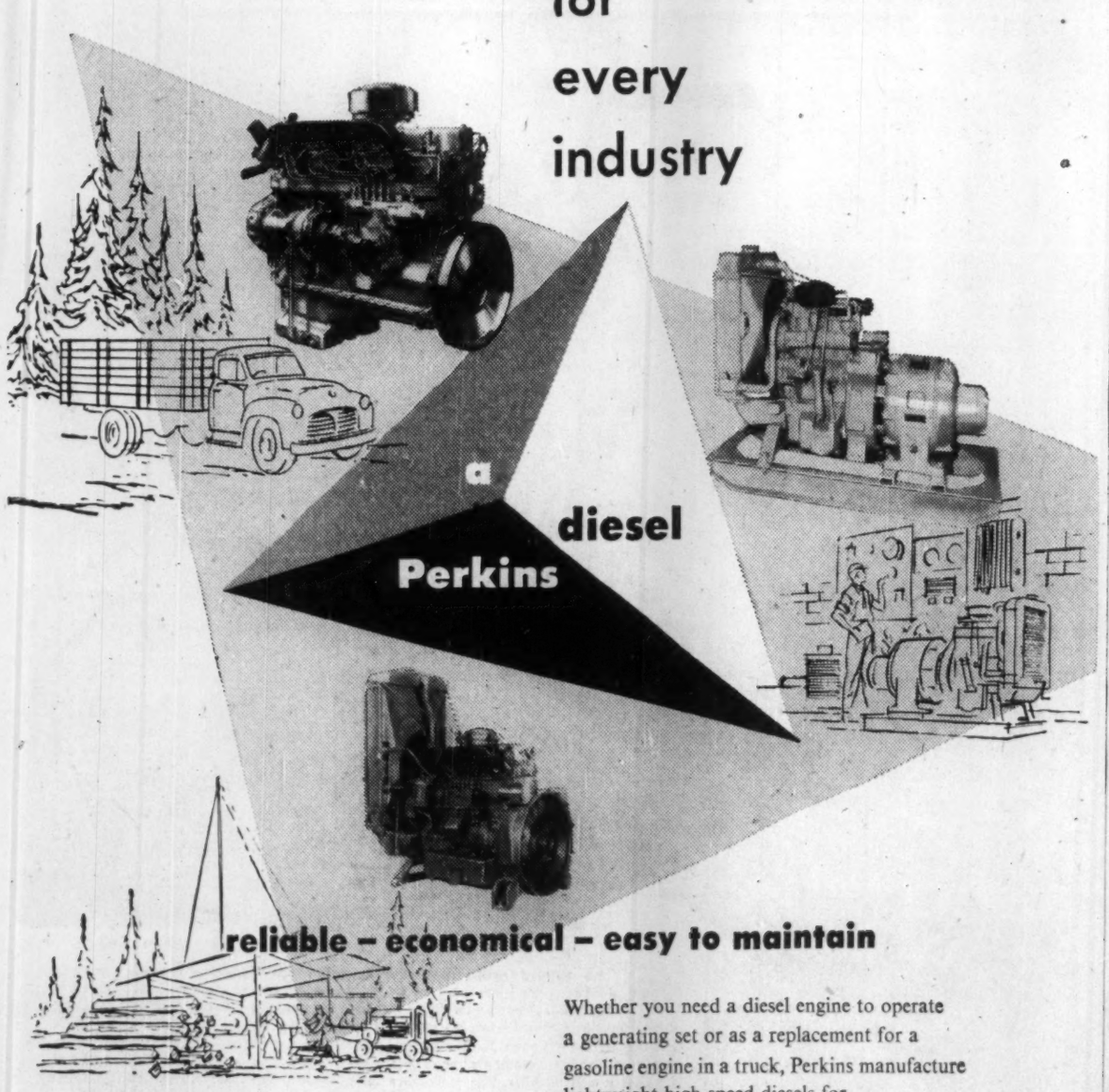

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Plant expansion, too, has been noteworthy. B.P.'s new Edmonton paper mill — the only paper mill between the Red River and the Pacific Coast — is now in full production, manufacturing dry felts, dry sheathing and miscellaneous building papers. It is also making other types of paper products for industrial use — such as wrapping and packaging papers — that in the past had to be brought into the area at heavy transportation costs from distant points.

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# Record of Construction Companies

(Continued from page 61)

Sales of all products increased considerably but competition was keen and selling prices lower.

At Oct. 31, 1953, outstanding capitalization included $370,000 2½%-5% first mortgage bonds due 1954-66; 40,750 no par value convertible Class "A" shares; and 40,850 $1 par Class "B" shares.

## Canada Cement

Canada Cement Co. produces Portland cement, operating manufacturing plants in various parts of Canada in conjunction with unlimited deposits of limestone, gypsum and clay. A subsidiary operates a stone-crushing plant.

The company handles about four fifths of total Canadian cement business, and properties include manufacturing plants in Montreal East and Huil, Que.; Belleville and Port Colborne, Ont.; Fort Whyte, Man.; Exshaw, Alta., and Havelock, N.B. Current total capacity of 17.5 million barrels a year is up 75% from the end of the war.

Heavy capital expenditures will again be a feature this year. Estimated at $10 millions, compared with $9.4 millions in 1953, they include the completion of the Fort Whyte expansion and construction of a new grinding plant at Edmonton, in addition to modernization jobs at other manufacturing centres. The Fort Whyte expansion will add 800,000 barrels of annual capacitiy.

All plants of the company operated continuously at full capacity during the year ended Nov. 30, 1954. Production and sales were up slightly from 1953, but operating costs rose and unit production costs were somewhat higher despite the increase in volume. Net earnings at $20,678,558 were down somewhat from $20,833,248, but a sharp cut in depreciation to $7,140,636 ($8,838,243) generated an increase in net profit of 16.4% to $6,350,147 ($5,454,965).

Capital cost allowances in 1954 exceeded the amount computed on the basis normally followed by the company by $2,236,382. This reduced profit for the year by $1,208,950.

Outlook for 1955 was described by President J. M. Breen as "reasonably promising." Continued activity in power development work and industrial expansion, coupled with a substantial house building and highway construction program, was expected. To encourage use of cement in the building industry, and to meet competition from foreign cement, President Breen said, the company put a general price reduction into effect Dec. 1 which will lower the cost of cement to customers by about $1.8 millions this year. Further adjustments may become necessary, he said.

Working capital at Nov. 30, 1954 totaled $5,980,168, down sharply from $12,377,863, and reflecting the heavy capital expenditure program and redemption of about 25% of its outstanding preferred stock. Cash and government bonds dropped to $2,522,277 from $7,089,833 a year earlier.

At Nov. 30, outstanding capitalization included $3 million 4% debentures due 1955-61; $15 million cumulative redeemable $20 par preference stock; and 60,000 no par value common shares The common shares are to be split on a four-for-one basis.

Earnings per common share in the 1954 fiscal year totaled $8.55, against $6.97 in 1953.

## Cons. Oka Sand

Consolidated Oka Sand & Gravel Co., Montreal, supplies sand and gravel for construction work, operates a fleet of trucks and rents equipment.

In the year ended April 30, 1954, sand production increased somewhat but sales were unchanged, creating an inventory higher than usual. Net earnings at $39,510 were up somewhat from $28,403, and net profit more than doubled to $16,283 ($7,399).

Plant and floating equipment were well maintained, it was stated.

Outstanding capitalization at April 30 included 41,632 no par value common shares. Total assets were $269,040.

## Ciment Quebec Inc.

Ciment Quebec Inc., formed in 1950, produces Portland cement at St. Basile, near Quebec City. Its plant has been in production since 1951, and the company owns a cement stone deposit containing an estimated 975 million tons of high quality cement stone.

Capacity has been increasing steadily through the addition of more kilns. In 1952, production was running about 3,500 bags daily. By 1953, capacity had been raised to 8,500 bags daily. Target rate is 24,000.

Latest financial statement available was issued in connection with sale of $1 million 6% first mortgage bonds late in 1953. Pro forma balance sheet as at Aug. 31, 1953 showed total assets of $2,695,220, including current assets of $458,614. Current liabilities amounted to $21,632, and surplus totaled $105,487.

Other outstanding capitalization at that time included $1,000,000 6% cumulative $50 par preferred stock; $568,100 5% cumulative participating $100 preferred stock; and 70,000 no par value common shares. Dividends in arrears at Aug. 31, 1953 totaled $182,738.

## Inland Cement Co.

Inland Cement Co. is a new firm which will manufacture and market cement and related products through a $7 million plant to be constructed on the outskirts of Edmonton.

Inland will be controlled by Sogemines Ltd., a Canadian investment firm, and its affiliated and associated companies. Major shareholders of Sogemines include a group of Belgian companies, under the leadership of the giant Societe Generale de Belgique which owns a 39.8% interest in Sogemines.

The decision to embark on the program was taken after detailed surveys had indicated the need and opportunity for additional cement manufacturing and marketing facilities in this rapidly developing area, as well as the existence of ample supplies of raw materials and low cost fuel within economic reach of Edmonton.

The new cement plant with a capacity of 800,000 bbls. annually, is scheduled for completion by mid-1956. It should sharpen competition in Western Canada.

Cost includes acquisition, construction of the proposed cement plant and site, limestone and clay deposits and related facilities at or near Edmonton and Cadomin, Alta.

A group of dealers headed by W. C. Pitfield & Co. recently offered publicly 300,000 $10 par preferred shares of Inland at $10 per share flat. Another 300,000 shares have been placed privately at par in Canada and Belgium, for a total of 600,000 shares and $6 millions.

The shares are entitled to a 6% non-cumulative preferential dividend. After 6% in any one year has been paid on the ordinary stock, both classes will share further dividends for that year in proportion to their respective par values. Shares of each class will have one vote apiece.

Other Inland financing includes private issue of $2 millions of ordinary stock. Of the total net proceeds, about $7 millions will finance the cement plant, etc., while $1 million will go for general corporate purposes.

Outstanding capitalization upon completion of the proposed financing amounts to $6 millions participating preferred shares $10 par; $2 millions ordinary shares $1 par.

## Dominion Tar

Dominion Tar & Chemical Co. is a large supplier of materials to the construction industry, directly and through subsidiaries. All told, about 60% of the company's resources and 80% of its sales are concentrated in the building materials end, and recent steps have been taken to give even more emphasis to this business.

Through Alexander Murray Co., a wholly owned subsidiary, a complete range of building materials are marketed, including Donnacona insulating, decorative and hardboard; Donnacousti sound-absorbing tile; Murray insulated and roll brick sidings; asphalt shingles; smooth and slate roofing; protective and waterproof paints; and many other products.

Canada Roof Products Ltd., another subsidiary, markets building materials including asphalt shingles, building papers, floor tiles, paints and many more.

Other subsidiaries in the building end include Brantford Roofing Co., Cooksville Co. and Laprairie Co.

Recent expansion in the building products end includes a new $1,125,000 plant at Delson, Que., completed early this year. It manufactures a new construction material said to combine the advantages of wood and concrete and called "Siporex."

Financial statements for 1954 have not yet been issued. However, demand for building products was very strong all year, and this was a major factor in maintaining earnings. It is understood that net profit for the year probably showed little change from 1953's $1,987,893 or 60c per common share.

About mid-1954, Dominion Tar completed a new $1.5 million plant at Cornwall, for producing a fibre conduit used in the construction industry for such things as industrial roofing, insulating wall, floor slabs, reinforced beams, etc.

## Foundation Co.

Foundation Co. of Canada is engaged in construction of public and private buildings of all kinds; industrial plants; power houses; hydro-electric developments; tunnels, mines, bridges, piers, harbor and river terminals and marine works generally, as well as salvage work in the Atlantic and the Gulf of St. Lawrence.

It has equipment storage yards, warehousing facilities and repair shops at Montreal and Dorval, Que., Toronto and Halifax. Three wharves with extensive warehousing and storage facilities for its marine business are also owned at Halifax.

Last year, Foundation joined with five other Canadian construction firms to form Iroquois Constructors Ltd. Iroquois pools the experience and resources of all six, and is designed to secure contracts covering all phases of the St. Lawrence Seaway. Jointly with Pentagon Construction Ltd., Iroquois recently was awarded a $6.5 million Seaway job.

Foundation itself has been working on several very large contracts. Late last year, for instance, it was awarded the contract for a $15 million paper mill expansion in Quebec.

Recently, F. G. Rutley, president and general manager, predicted 1955 would bring a small increase in Canadian construction volume. But he pointed out that general contractors' profits are tending to decrease. In Canada, he said, general contractor capacity available exceeds the volume of construction to be carried out.

Annual report for 1954 has not yet been issued. In 1953, Foundation's net profit hit a record $698,447, up sharply from $399,911 in 1953. Earnings per share reached $1.63, against 96c.

In January, 1955, Foundation paid a quarterly dividend of 17½c per share on its common stock, up from the previous 15c rate.

Outstanding capitalization at Dec. 31, 1953 included $1,250,000 3½% serial debentures due 1955-59; and 428,400 n.p.v. common shares.

## Gypsum, Lime & Alabastine

Gypsum, Lime & Alabastine, Canada, Ltd., Paris, Ont., and its subsidiary, operate plants across Canada manufacturing a wide range of gypsum plasters, insulating, structural and acoustic material, lime wallboard, water paint and stucco products.

Company's products are used extensively in construction and building work of all kinds—not only for private residences, farm buildings, etc. but also for larger operations.

Company operates five gypsum plants at Montreal East, Caledonia, Ont., Winnipeg, Calgary and New Westminster, B. C. Deposits supplying these mills are at Baddeck, N.S., Caledonia, Ont., Gypsumville, Man., and Falkland, B.C. Rockwool plants are located at Caledonia, Ont., and Calgary, Alta. There is an alabastine plant at Paris, Ont., a stucco plant at Toronto, and lime manufacturing plants at Milton, Beachville and Hespeler, Ont.

Consolidated net profit for the fiscal year ended Nov. 30, 1953 (latest figures available) was $1,613,910, 42.5% higher than consolidated net for the previous year of $1,132,878. Earnings per share amounted to $3.67 ($2.57 in the 1952 period) and dividends were $2 in both years.

An all-time sales record was established during the year, reported the president, P. P. Tyler.

Earnings improved despite higher manufacturing costs and increased freight rates.

Net capital expenditures totaled $846,015 for the year, and included construction of a new warehouse, completion of a mine shaft, underground development at Caledonia, installation of equipment for the manufacture of sand-lime building blocks at Montreal, and extensions to buildings at Montreal East.

Company believed that the near-future outlook in the building trade was reasonably promising, and that no marked falling-off in industrial activity was anticipated to an extent that would seriously affect the output of the company's lime plants.

Capitalization outstanding at Nov. 30, 1953, amounted to $1 million 3½% first mortgage and collateral trust bonds, due 1966; 440,043 common n.p.v. shares.

## Interprovincial Brick

Interprovincial Brick Co. manufactures brick at plants in Milton and Cheltenham, Ont. It is controlled by the Cooksville Co., which in turn is a wholly owned subsidiary of Dominion Tar & Chemical Co.

On Dec. 31, 1954, all Interprovincial's outstanding class A and class B preferred shares were redeemed. This left 10,000 no par value common shares as the only outstanding capitalization.

Recent earnings statements are not available. In 1952, company showed a net profit of $127,141, compared with $85,043 in 1951.

## Laprairie Co.

Laprairie Co. produces wire cut and pressed brick of various colors and textures, plus a complete line of structural building tile, including chimney blocks. Trade marks include "Plastic" and "Enduro."

Four brick and tile plants are operated: two at Delson, Que., two at Laprairie, Que. The company owns over 1,000 acres of shale and clay deposits, and owns and operates its own railway for transporting raw materials from the shale pit to the manufacturing plants.

Laprairie Co. is controlled by Cooksville Co. In turn, since early 1954, Cooksville has been a wholly owned subsidiary of Dominion Tar & Chemical Co.

Financial statements have not been made available for publication since 1952. Recent reports, however, are that Dominion Tar is thinking of raising the wire cut brick and structural tile capacity of Laprairie Co. sharply through plant extension.

Net profit in 1952 was $297,990, against $291,312 in 1951.

## Martineau

Martineau Cut Stone Co., formed in 1945, acquired the assets of Martineau Fils Ltee, which had operated stone quarries in Montreal since 1932. The company is a cut stone contractor specializing in cut stone and granite. Its quarry is located at Pont Viau, Quebec. Plant is at Rosemount, Montreal.

A subsidiary, Deschambeault Quarry Corp. at St. Marc des Carrieres, Que., is a stone contractor and manufacturer of "Calco" products. Its quarries are located at St. Marc and St. Girard.

Balance sheet at Oct. 31, 1953, latest available, showed total assets of $957,145. Net surplus amounted to $133,779.

## Milton Brick

Milton Brick Co., Toronto, manufactures first-quality face brick from rock shale by the dry press and wire cut methods. Annual capacity is 25 millions bricks.

In July, 1953, the company brought a third tunnel kiln into operation and built new modern loading docks. A new concrete dam was also built on the company's property and there is now a large reserve of water, said President G. M. Keely in the company report for the year ended Dec. 31, 1953 (latest available).

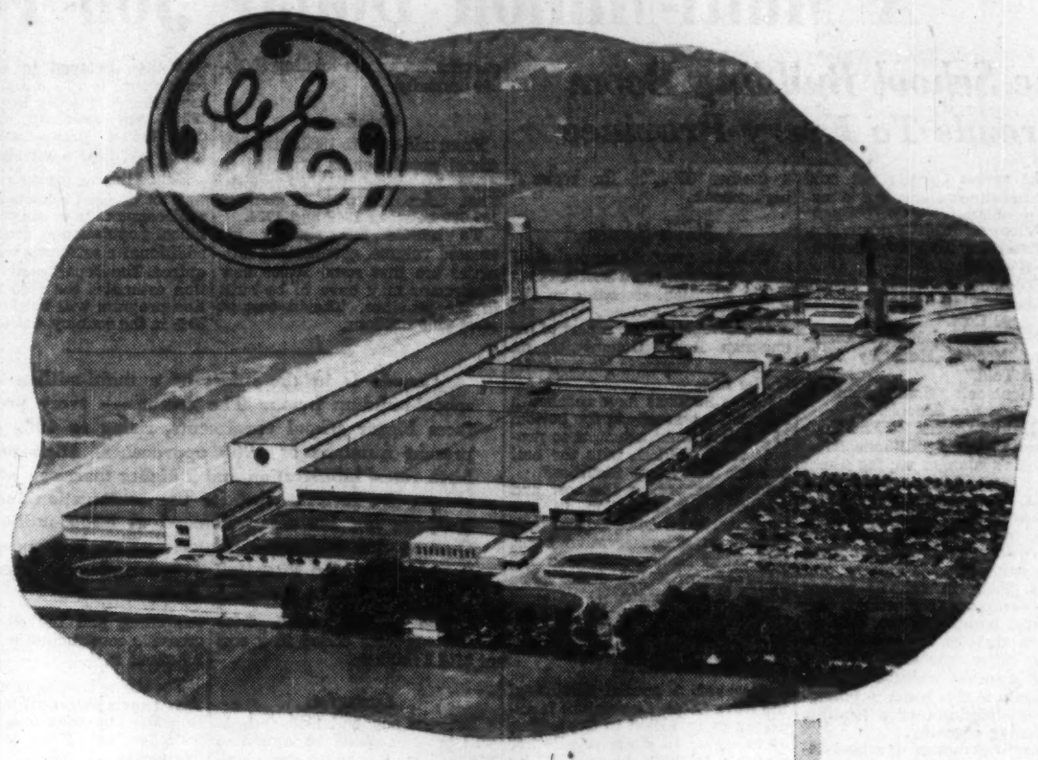
Net profit for the year amounted to $170,470, 41.6% higher than net for the previous year of $120,415. Earnings per share were 31c compared with 22c the year before, and dividends amounted to 15c in both years.

Capitalization outstanding at Dec. 31, 1953, consisted of 500,000 common n.p.v. shares.

## Monarch Mortgage

Monarch Mortgage & Investments Ltd. owns and operates a number of apartment buildings, and holds mortgages on several new properties. A wholly owned subsidiary operating in the Toronto area undertakes land development and is engaged in the construction of lower-priced houses,

(Continued on page 68)

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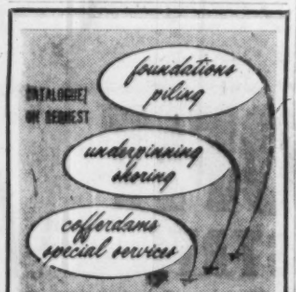


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# A Multi-Million Dollar Job For Construction

## The School Building Boom Spreads To Every Province

**Canada is in the midst of a multi-million dollar school-building boom. The reason — every province faces bigger school enrolments, rising to 40% above present numbers as 1960 approaches. High postwar birth rates, immigration and a higher marriage rate are among the factors. But for the construction industry it spells big business estimated at $200 millions in Quebec, $60 millions in Ontario. Here is a special report by Financial Post staff writers and correspondents.**

Right across Canada the bold black headlines shout out a national problem:

—Victoria: "Shift System May Be Extended To Fifth Elementary School."

—Edmonton: "1955 School Building Plan Proposed At $6,513,200 Cost."

—Saskatoon: "100 More Classrooms Needed Here By 1960, Board Told."

—Montreal: "Commission To Buy Land For Schools."

—Halifax: "Seek To End Congestion In Springhill Schools."

Canada's younger set, the school set, is increasing by leaps and bounds. Schools in every province are already bulging at their seams, and school boards are assailed from every side for more classroom space.

This boom in schools means more business for our construction industry, because there's still no limit in sight to the demand for bigger, better schools.

And it speaks well for Canada, too. Because this boom in youngsters is significant of a healthy, burgeoning economy.

Here is a summary of school demands in the provinces:

### *Newfoundland*

Newfoundland school enrolment is increasing yearly by about 5,000 pupils and this means that about 100 new classrooms must be provided each year. Into these classrooms and to replace old desks in already established schools go approximately 3,000 new desks a year, for a total value of $50,000.

"We see no decrease in that amount for any year in the next five," an official told The Post.

The provincial government annually earmarks $500,000 for school construction. The rest of the money is raised by churches and by school boards in the various communities.

Newfoundland has a denominational school system and this makes it difficult to estimate final costs.

There is one big new factor in the Newfoundland school system. Regional high schools are now being established for the first time. Already three have been built and plans are being prepared for three or four more.

The government has set aside a further $500,000 for regional high schools.

### *Nova Scotia*

This is a year of reappraisal of school needs in Nova Scotia.

The situation, according to Mr. Justice V. J. Pottier, who recently completed the report of his one-man Royal Commission on Education Finance in Nova Scotia, is like this:

"Nova Scotians have reached a financial crossroads at the bottom of a hill in their attempts to provide their children with the best possible education facilities."

In his report on the cost and financing of education in the province, Mr. Justice Pottier estimated, on a conservative basis, that Nova Scotia will need 200 classrooms or 40,000 desks to be added in five years.

How much of this will be done in the first year, this year, has not been revealed by education department officials.

However, a special session of the Nova Scotia Legislature is expected to be called in September of this year to study the Pottier report. It will be called by Premier Henry Hicks, who holds the education portfolio, and who spearheaded the move to set up the Pottier Commission.

Premier Hicks is believed to be in favor of implementing certain of the recommendations of the Commission, particularly in regard to school construction and teachers' salaries.

Mr. Justice Pottier called for a holiday on extras in his report. He said no money would be available for gymnasiums, auditoriums, or cafeterias "now or in the predictable future," and that no money would be available for household science or industrial arts rooms for the next five years.

He suggested a ceiling on costs of construction and services in which the province will share.

For instance, library capital costs would be frozen at $10,000, classroom capital costs at $12,500 and science labs at $15,000.

### *New Brunswick*

New Brunswick will need 3,500 desks each year for the next five years, approximately 100 classrooms each year for that period.

This means capital expenditures of $2 millions each year, with government grants totaling $800,000 annually.

### *Quebec*

From mid-1954 to 1960, Quebec's school population is expected to grow by about 250,000 pupils. That compares with a gain of 157,000 between 1948 and 1954.

To handle this sharply increased volume, government estimates are that some 10,000 new classrooms may have to be built in the province. They'll cost at least $200 millions.

In the 1948-54 period, 8,453 classrooms were added to a cost of $144.5 millions.

### *Ontario*

Between now and 1960, Ontario will have to spend an estimated $60 millions a year for new classroom seats. In the last decade the province built 326,000 seats, but enrolments between 1955 and 1960 will mean a demand for 482,000 more.

Enrolment in Ontario's primary and secondary schools was 642,000 in 1945, and 982,000 in 1954, an increase of 339,000 in the decade.

By 1960, there will probably be 1,396,000 pupils in the schools, and by 1965 1,745,000.

### *Manitoba*

In new facilities for schools, as also for hospitals, 1954 was a record year in Manitoba.

Seventy-seven new schools or additions were built, with 371 classrooms, at a cost of $5,127,000.

Of the added classrooms, 89 were in Winnipeg—cost: $1,593,700. The other 282 were in suburban Winnipeg and rural school districts—cost: $3,534,000.

The building spurt in 1954 was result of long accumulated circumstances.

In the depression period of the 1930s a lot of rural schools needed replacement, but the districts had no money. Before they did much, the war came and they couldn't get materials. After the war they delayed in the hope costs would level out and perhaps come down. Finally in the early 1950s they gave up hope that construction prices would get lower and they went ahead.

Hence the big program for 1954.

A lot of rural schools still need replacement. In urban centres the school population is growing and additional classrooms will be required. The Department of Education estimates the 1955 construction program will be down about 30% in the country, not so much in the cities, and the over-all decrease in construction volume will be about 20%.

For the next three or four years they expect a gradual tapering off in rural Manitoba and the same level or nearly so in Greater Winnipeg.

The bad wheat crop of 1954 may delay school building plans in some districts, but not in areas of mixed farming. Of the present rural schools about 450 are able to accommodate from 25 to 30 pupils. At least half of this group only have enrolments of from 10 to 15.

### *Saskatchewan*

Saskatchewan Education Department says that school building, which reached a peak in 1954, will drop off this year. Reasons: the poor 1954 grain crop which has cut down rural school unit income, and the fact that in some areas school space is now adequate.

The big boom in school building in both rural and urban areas in past five years is explained this way:

1. Little or no school building in depression and war years created a big backlog of replacement demand.

2. Movement of population to urban centres closed many one-room rural schools but created classroom demand in towns and cities.

3. Development of larger attendance areas by closing rural one-room units and taking children by bus to consolidated schools.

These effects continue and in addition the total school population, which has been dropping, will begin to swell as wartime and postwar birth rates are more and more reflected in school age children. So the picture is of continued need but of a slight downtrend this year.

Cost of building a one-room rural school is about $8,000. Average cost per classroom of multiple-room schools is about $15,000 but can be as high as $25,000 in cities.

### *Alberta*

Building is booming to meet the requirements of Alberta's more than 200,000 school pupils. It is estimated that the average cost of new schools, including extensions, is $10 millions a year.

Officials of the Department of Education say that approximately 15,000 new desks or seats are required each year and this rate will be maintained for the next five years.

The cost will range from $250,000 to $300,000 a year. While much of the equipment will be for replacement purposes, from 50% to 75% will be new equipment.

### *British Columbia*

The Department of Education says it will require an average of 500 new rooms a year over the next five years to meet needs in B. C. One tenth of these will be for shops, gymnasiums, libraries, etc.

That means 2,000 will be classrooms. Officials say average number of desks per classroom is 35, for a total number of desks of 70,000. Average cost of each classroom is $12,000. In addition, the Department has a backlog of 250 classrooms that it will try to catch up on at the same time.

Construction of new schools, by the government as well as by cities and towns, will add up to a whopping $100 million bill during the next five years.

The government has committed itself to an expenditure of $65 millions for the next five years, and Education Minister Ray Williston has admitted that won't be enough.

Vancouver alone, which has been faced with the task of providing classrooms for its ever-increasing population, will add 25 new classrooms this year as it embarks on an ambitious multi-million dollar building program.

Last year, Vancouver spent $19 millions in construction and maintenance costs. This year, the outlay may even be greater.

Without exception, every other major city in British Columbia faces the same problem as the bumper wartime crop of babies nears high school age. Therefore the emphasis is on high schools and junior high schools.

Vancouver school authorities, however, consider themselves fortunate that they have been able virtually to eliminate the double-shift system which many other Canadian school boards have been forced to adopt.

As an indication of what Vancouver school planners had to cope with in their new building program, the enrolment in city schools has increased 52% since 1943. Other cities show similar gains.

It has spent $21 millions since 1947 on school construction and another $4 millions worth of schools is in the planning stage.

When the city's long-range program is completed in 1958, $34 millions will have been spent on school construction.

#### Why It's Happening

The two fastest-growing groups in the population in recent years are those under 10 years of age and those over 60. The very large increase in young children shown in the 1951 census was in striking contrast to the 1941 census which showed the under-tens to be actually fewer in number than they had been in 1931.

The implications for school enrolment of the sharp increase in the number of youngsters are staggering. Elementary school enrolment, which in any year is closely related to births six to 14 years earlier, has already risen markedly with the entry into the school system of the first contingents from the large numbers of postwar births.

But the increase so far experienced is dwarfed by that which is in prospect. Toward the end of the present decade, when the youngsters born in the years 1946 to 1953 will constitute the elementary school population, enrolment promises to be around 40% higher than it was in 1953.

In the secondary schools and universities the impact of the rising tide of postwar births will be felt during the 1960s.

And the pressure is likely to be accentuated, since better transportation and the movement of families into urban areas are making it easier for more children to attend high school, and higher family incomes are enabling young people to remain in school longer.

Immigration is increasing the pressure on school facilities. In the past three years alone, immigrants of school and pre-school age have been coming in at the rate of around 3,500 a month, over half of them destined for Ontario.

Marriage rates in Canada have been very high for the past 10 years or more, and the result is that a higher proportion of the adult population is now married than ever before.

In 1951, 64% of the population 15 years of age and over was married as against 57% in 1941 and 54% in 1911. More people are now marrying early. Of the young people who were 20 to 24 years of age in 1951, 25% of the males and 51% of the females were married as against 16% of the males and 39% of the females 10 years earlier.

With the boom in marriages, the number of families has naturally been increasing at a considerably faster rate than the population. The net addition each year since the war has varied from a peak of 104,000 families in 1946 to a low of 71,000 in 1950. In each of the last three years it has exceeded 90,000.

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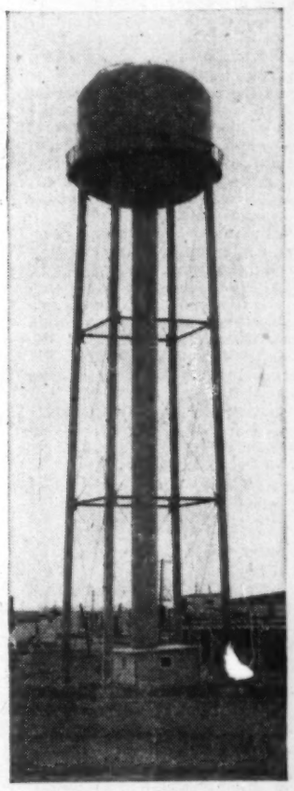

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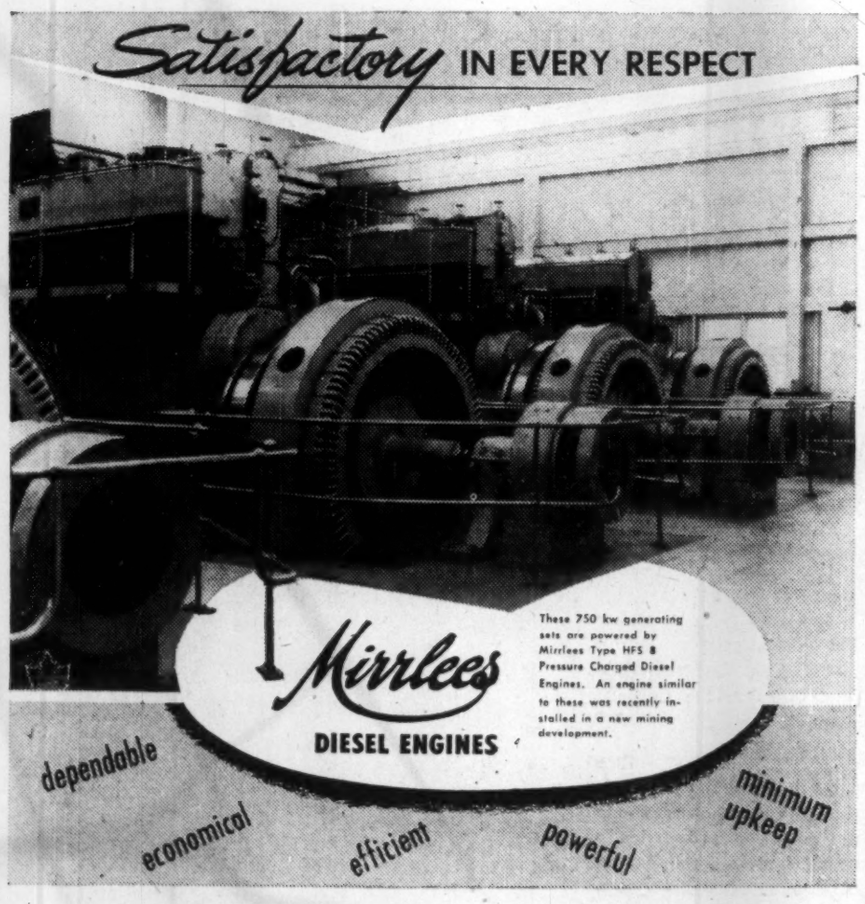

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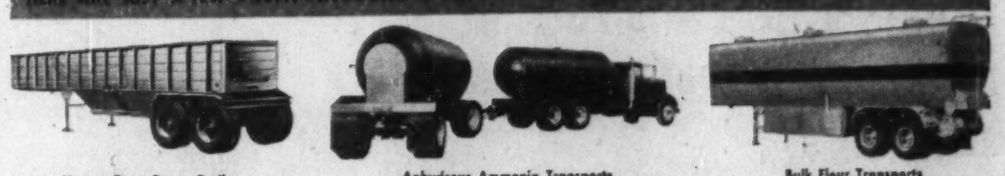

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# Weather Hit The Highway Builders

## *Delay Puts TCH 1956 Target Date Out of Range*

Weather, potentially the best friend of highway builders, was their worst enemy in 1954.

In almost every province, rain literally bogged down the progress of construction programs so that most provinces entered 1955 with a sizeable backlog of work to be done in addition to the line-up for the new year.

This includes the Trans-Canada Highway. Work on this big project that will give Canada a spanking new main-street lagged behind schedule again last year making completion of the coast-to-coast road—by the target date of 1956—a virtual impossibility.

During 1954, 150 miles of new grading was done on the TCH with an additional 170 miles paved. This was slightly below the 1953 performance. In total now, 1,700 miles of grading have been approved, and 1,400 miles completed. Of the 1,200 miles of paving approved, 1,000 miles have been completed along with 98 of 128 bridges and other structures.

Total contractual commitments now stand at $170 millions of which the Federal Government share is $85 millions.

This means, then, that while two thirds of the construction period suggested by the 1950 agreement has passed, slightly less than one third of the construction has been completed.

Particular difficulties have been encountered in the rugged country of B. C., Newfoundland and Northern Ontario. Biggest strides toward completion have been taken on the Prairies where more than 50% is now completed.

In Nova Scotia, where an agreement was only signed with Ottawa recently, work has barely got under way. Quebec is the only province that has not come into the over-all plan, with provincial officials balking at Federal Government approval of all contracts as an infringement of provincial rights.

While progress is not considered to be satisfactory, there appears to be a growing interest in the TCH with some indication that construction will be speeded in the next few years.

What about the road-building by the various provincial governments within their own boundaries? Here is a quick summary of what was carried out during 1954.

**British Columbia:** Last year was the biggest road building year in the province's history with 80 miles of the Trans-Canada Highway reconstructed, 320 miles of other highways and roads reconstructed, 425 miles improved by graveling and widening.

The B. C. Legislature at its last session passed a Toll Highways and Bridges Authority Act and a $4.5 million toll bridge is now being built across the Fraser River approximately 70 miles north of Vancouver. Other similar bridges being considered: across the Kootenay Lake at Nelson, across Okanagan Lake at Kelowna. In all cases, these crossings are now made by ferry boat.

During 1954, 176 miles were paved with hot plant-mix, 31 miles of this on the TCH.

**Alberta:** Last year, a total of $41.8 millions was earmarked for provincial highway and road building along with an additional $11 millions for maintenance. Wet weather, particularly during July and August, practically stopped construction until fall; then good weather made possible far more activity than is usual during fall months.

Alberta now has 5,296 miles of highways in the highway system. Of this amount, 1,881 miles are paved. Construction of 34 miles of multiple-lane highway has been completed, and another 43 miles is now under construction, approximately 30 miles of which is a four-lane divided highway on Highway No. 2 between Crossfield and Bowden. Progressive continuation of this type of construction is proposed, depending upon the rate of traffic increase.

Construction of the Trans-Canada Highway, toward which the Government has this year voted the sum of $6.4 millions, has been confined to the Calgary-Saskatchewan border section; 196 of the total 214 miles have now been graded, 174 miles stabilized base-coursed and 106 miles surfaced. It is expected that this position will be completed next year. The Calgary-Banff Park section has been relocated south of the Bow River, with preliminary construction surveys now in progress. Construction of 65 miles in this section will commence next spring.

**Saskatchewan:** Provincial funds voted for highways last year totaled $18.6 millions, slightly higher than the previous year. Plans called for 543 miles of subgrade and 159 miles of paving.

Again, weather was the big item in holding up work. By Oct. 31 only about 40% of the planned building had been completed but an open fall enabled this figure to be almost doubled by the year end.

The general TCH picture in Saskatchewan is good with the section from Regina to the Manitoba boundary open to traffic though not entirely completed.

Grading of the new highway between Saskatoon and Prince Albert is finished but only about 30% of the paved section is completed. Only about 30 miles of subgrade construction remain on the 190-mile stretch between Saskatoon and Lloydminster and this is expected to be finished next year. Rebuilding of No. 39 between the U. S. boundary and Regina is going ahead but paving is behind schedule.

**Manitoba:** On its share of the Trans-Canada Highway, Manitoba has graded 117 miles of the 137 miles approved while base course and paving have been completed on 130 miles. All of the 10 bridges approved are finished.

In the postwar period, the province has had a four-point highway program:

1. Reconstruction of existing system.
2. Extension of trunk highways.
3. Development of roads to mining and tourist areas.
4. Completion of the TCH.

Favorable economic conditions have meant the program has been financed out of current revenues.

Abnormal rainfall last year meant few grading contracts were completed and a consequent delay in gravel-surfacing and paving operations.

**Ontario:** An estimated $57 millions is the total for highway building and maintenance in Ontario for the 1954-55 fiscal year with an additional $23 millions spent for the operation of the Highways Department. The total includes almost $8 millions spent to keep highways open the year around and another $31 millions for subsidization of municipal spending on streets and roads.

Approximately 427 miles of highway were paved or resurfaced and 161 miles graded. In addition, one million tons of gravel were crushed and some 1,250 miles of gravel road were oiled.

Construction continued on Highway 401, a four-lane divided expressway that will eventually link Windsor with the Quebec boundary. Major sections are under way in the vicinity of Windsor and London, completely around Toronto, and at Belleville, Kingston and Brockville.

First contract in the development as a result of the St. Lawrence seaway and power project was let last year to reroute No. 2 west of Cornwall. Eventually about 40 miles will be rebuilt.

**Quebec:** In 1954, the province's program involved approximately 420 miles of either asphalt or cement surfacing, resurfacing of 90 miles of old pavement, reconstruction or construction of 985 miles, graveling of 1,300 miles and various improvements to 125 miles.

The Highways Department has continued the construction of two new highways in the Gaspé region and along the north shore of the St. Lawrence. There is also a new road going in between Seven Islands and Baie Comeau.

While Quebec is not formally in the TCH agreement, construction of roads linking with the TCH at both borders is going ahead. The highway is being built to TCH specifications and will mean that a traveler will meet the same highway conditions in Quebec as he does in other provinces as he drives from coast to coast.

**New Brunswick:** Some $6 millions was allocated last year for highway construction with an additional $12 millions for construction and maintenance of roads, bridges, ferries, wharves and for snow removal.

Slightly over 200 miles of grading contracts and projects were authorized while some 380 miles were given surface treatment. No new paving contracts were awarded during the year although 40 miles of paving was carried out as a holdover from the 1953 program. Total road mileage in the province now is 13,132.

**Nova Scotia:** A start on the Trans-Canada Highway project was the biggest development in the province last year along with the completion of the $10.7 million Angus L. Macdonald bridge across Halifax Harbor. Another big milestone was the virtual completion of the Canso Causeway. It has been opened for railway traffic and will be available for highway traffic in a few months as pavement is completed. The $19 million cost is split with the province paying one third and the Federal Government the balance.

During last year, outside of TCH work, 61 miles of highway were reconstructed and 135 miles paved.

**Prince Edward Island:** Trans-Canada Highway work in the province last year involved 15 miles of the heaviest construction ever experienced. Construction of 240 miles of standard construction on provincial highways was completed, best year's effort to date for the province. In addition, about 100 miles was cleared for construction in 1955.

**Newfoundland:** The province's budget for highways was $11.5 millions last year, the biggest on record and a healthy increase over the $7 millions earmarked for roads the previous year.

Again, in Newfoundland, the weather was unfavorable, particularly during July and August when most highway construction is normally carried out. In conjunction with the new ferry service that was to begin last October between the ports of Port aux Basques and North Sydney, plans were laid to have a highway completed between Port aux Basques and Cornerbrook.

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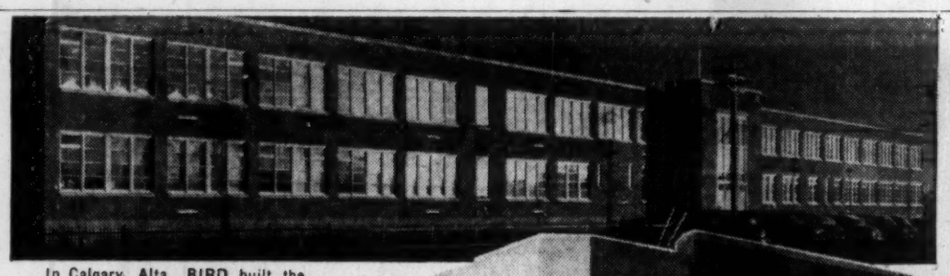

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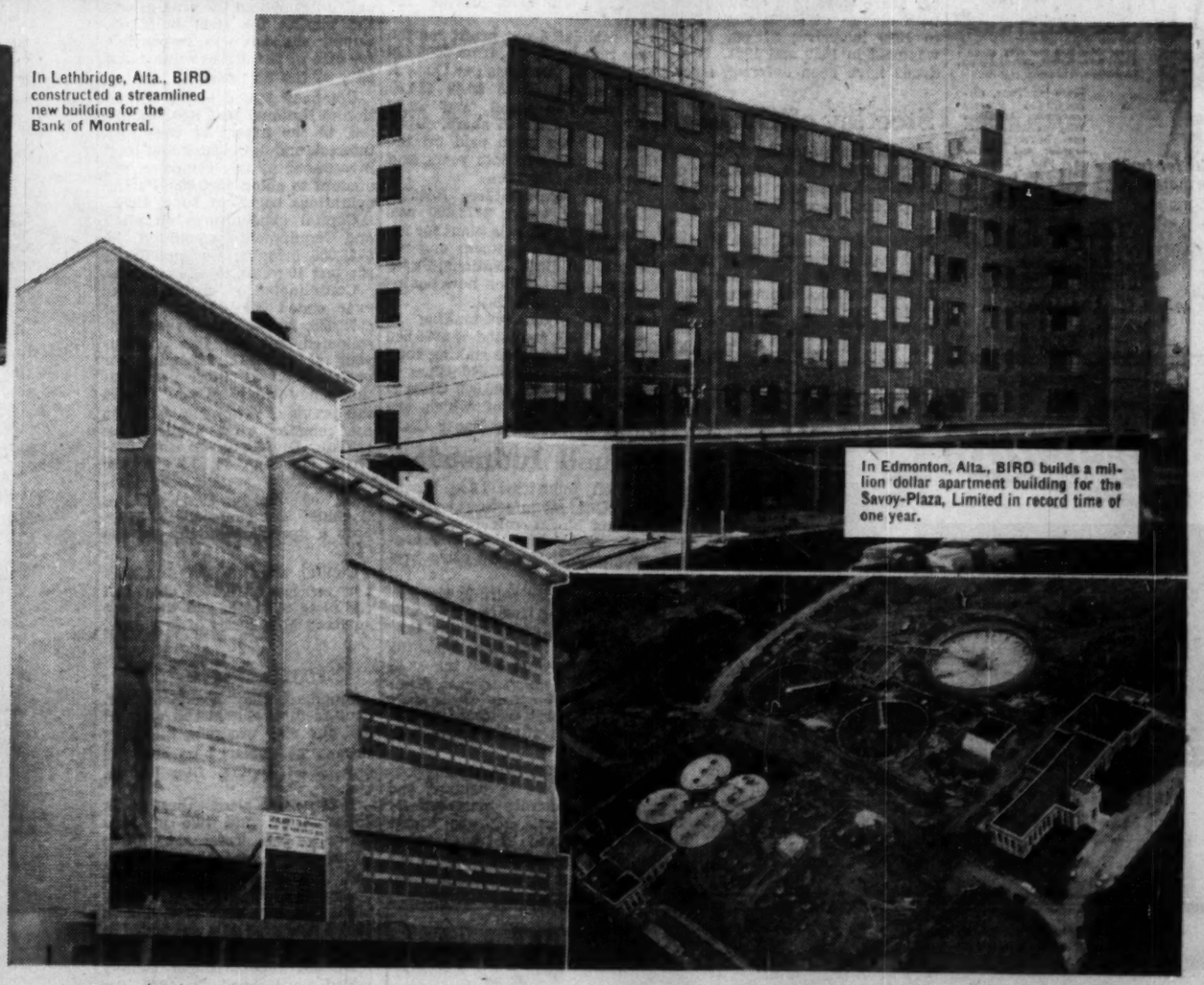

In Lethbridge, Alta., BIRD constructed a streamlined new building for the Bank of Montreal.

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# Record of Construction Companies

(Continued from page 65)

as well as apartment buildings and shopping centres.

Early in 1954, Taylor Woodrow (Canada) Ltd. purchased more than 50% of the shares of the company, and Mr. Frank Taylor, chairman of the Taylor Woodrow group, joined the board of directors.

In July, 1953, the Monarch Heights development was completed and the west block of the Eglinton Square Shopping Centre in Toronto was finished in December. The effect on rental revenues, said President Norman W. Long, would not be fully reflected until 1954 results are in.

Net profit of $128,221 for 1953 (latest figures available) was 13.5% less than net for 1952 of $148,159. Earnings per share amounted to $3.04 compared with $3.51 the previous year. Dividends were $2 in both years.

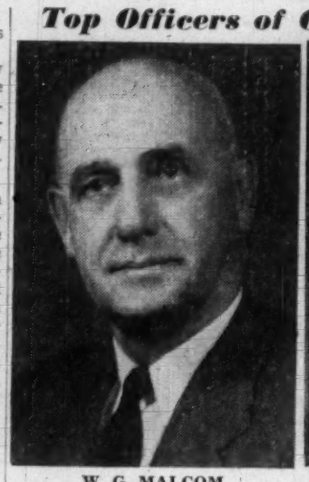
Capitalization outstanding at Dec. 31, 1953, consisted of 42,181 n.p.v. common shares (of which Taylor Woodrow owns 53%), and working capital was $260,708 ($147,369 the year before).

## National Sewer Pipe

National Sewer Pipe Ltd. manufactures, sells and distributes vitrified clay products consisting of sewer pipe, wall coping, flue lining, electrical and telephone conduits, segment sewer blocks, radial chimney blocks, field drain tile, vitrified block for acid towers, etc.

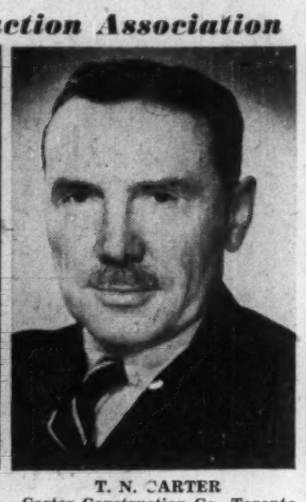
Its products are used by municipalities, contractors and building supply dealers throughout Ontario where 95% of the output is sold, the balance being marketed throughout the rest of Canada.

### Top Officers of Canadian Construction Association



W. G. MALCOM
Malcom Const. Co., Winnipeg
CCA president

A. TURNER BONE
J. L. E. Price & Co., Montreal
CCA vice-president



T. N. CARTER
Carter Construction Co., Toronto
CCA vice-president

The company is the biggest of its kind in Canada.

A wholly owned subsidiary makes concrete pipe which is sold by the parent company.

In the latest company report, for the 10 months ended Oct. 31, 1953, company made the first financial statement since taking over the assets of National Sewer Pipe Co. and 55% interest in Canada Vitrified Products Ltd. under an arrangement between the company and its former Class-A shareholders.

Net profit for the period was shown as $136,289; preferred shares earned $2.16 and the common $1.37. No dividends were paid on either. The net profit was after providing interest on $971,600 5½% first mortgage bonds and $694,000 6½% debentures issued in exchange for the old Class A shares.

Capitalization outstanding at Oct. 31, 1953, consisted of the above bonds and debentures and 53,195 common n.p.v. shares.

## Northern Builders

Northern Builders Sales Ltd., Fort William, Ont., was incorporated in 1950. Company operates a wholesale and retail distribution of builders' supplies and lumber.

Capitalization outstanding at Dec. 31, 1951 (latest reported figure) consisted of 5,748 5% noncumulative preferred shares, par $10, and 2,879 n.p.v. common shares. Balance sheet at that time showed total assets of $205,647 and current assets of $153,922.

## Ritchie Cut Stone

Ritchie Cut Stone Co. operates a stone-cutting mill at its plant in New Toronto. It is a controlled subsidiary of Canada Crushed & Cut Stone Ltd. Its accounts are consolidated with those of the parent company. (See separate article.)

Canada Crushed & Cut Stone owns 1,600 shares of the outstanding 10,121 preference shares and 10,815 of the outstanding 10,985 common shares. Dividends of 50c per share were paid annually on both classes of stock from 1947 to 1949 inclusive; $1 per share was paid in 1950 and 1951. Dividends have been deferred since.

## Steetley of Canada

Steetley of Canada Ltd. was formed in 1952 as a subsidiary of an English company to engage in the production and sale in Canada of dead burned dolomite, a refractory material used in the steel industry in the daily lining and repair of open-hearth and electric furnaces. Company owns 127,000 common shares of the 190,000 outstanding shares of Canada Cut & Crushed Stone Ltd. and all the outstanding shares of Dolomite Refractories Ltd.

A new rotary kiln was completed in 1954 at a cost of $2 millions. Operation of the small stack kiln purchased from Dolomite Refractories was satisfactory, said Chairman and President N. M. Peach in the company report for the year ended Dec. 31, 1953.

At that time net loss was given as $94,576. In the previous three months of the company's existence net loss was $6,508. Profits of the subsidiary are not consolidated with those of the parent company (see separate article).

Capitalization outstanding at Dec. 31, 1953, consisted of $1 million preferred shares, par $100, and 250,000 n.p.v. common shares; the parent company owns 8,500 preferred shares and 150,000 common shares.

## Sidney Roofing

Sidney Roofing & Paper Co., Victoria, B.C., manufactures asphalt roofing and allied products, including asphalt shingles and sidings, plain and mineral surfaced roll roofing, building papers, roofing materials, preservative coatings and cements, and paperboards. Through National Paper Box Ltd., a wholly owned subsidiary, company makes rigid paper boxes. It also has the distribution rights for a number of construction materials.

Main plant of the company is located at Victoria, and consists of a roofing felt machine with a capacity of 30 tons a day, two paperboard machines and various machines for the production of the company's other products. A branch plant is located at Lloydminster, Alta., and the subsidiary operates in Vancouver, using a large proportion of the paperboard production of the parent company.

Sidney Products Ltd. is a nonoperating subsidiary.

Demand for roofing division's products continued at a high level in 1953, said Vice-president and General Manager J. A. Craig, and paperboard volume also showed an increase. National Paper Box increased its sales during the year.

Consolidated net profit for the year rose by 61.2%, from $200,420 to $323,118. Earnings per Class A share amounted to $6.46 ($4.01 the previous year) and $2.78 ($1.55) per Class B share. Dividends of 90c were paid on the Class A shares in both years, and none on the Class B.

Capital expenditures totaled $215,979, of which $175,000 was spent on the Victoria plant for replacement of equipment and repairs to buildings. National Paper Box spent $41,000 on new equipment and its installation.

Capitalization outstanding at Dec. 31, 1953, consisted of $995,500 3¾% first mortgage sinking fund bonds, due 1965, 50,000 Class A n.p.v. shares and 100,000 Class B n.p.v. shares, all of which are owned by the Eddy Paper Co.

## Schell Industries

Schell Industries Ltd., Woodstock, Ont., manufactures concrete building blocks, celocrete blocks, concrete, bricks, ready-mix concrete, sills, lintels and other precast products.

Block division sales in the second half of the fiscal year showed a marked increase over the slow sales in the first half, resulting in a 1% increase over the sales for the previous year, said President R. G. Thomson. Costs were improved because Canadian cement was available throughout the year.

Company is now producing concrete roof slabs in volume, and produced concrete members for the first precast highway bridge built in Ontario. A high level of building throughout 1955 is expected, and a considerable increase in sales in the precast division.

Consolidated net profit for the year ended Oct. 31, 1954, was $24,574, 19.5% higher than consolidated net for the previous year of $20,567. Earnings per preferred share amounted to $88.08 ($66.56 in 1953), and 38c (30c) per common share. Dividends of $5 were paid in each year on the preferred. No dividends were paid on the common.

Capitalization outstanding at Oct. 31, 1954, consisted of 309 Class A preferred shares and 60,000 common n.p.v. shares.

## Standard Paving

Standard Paving & Materials Ltd. operates through its subsidiaries as street and highway paving contractors and supplies sand and gravel for all types of building and construction work throughout Ontario, Quebec and the Maritime provinces. Subsidiaries also manufacture concrete sewer pipe and sell steel buildings.

Permanent asphalt paving plants are owned and operated at Toronto, Ottawa, and Paris, Ont., and portable concrete and asphalt units in the various provinces of Eastern Canada. A substantial amount of equipment for rock and earth grading contracts, self-loading sand and gravel boat, and large gravel plants and deposits at Paris, Waterford and Fuller, Ont., are also owned. In the 1954 fiscal year $728,000 was spent on the acquisition of plant and equipment.

Volume of business was the highest in the history of the company, reported Chairman J. F. M. Stewart and President G. G. Robinson in the statement for the year ended Mar. 31, 1954. In the supply division, waterborne deliveries of materials to U. S. and Canadian ports reached a record and tonnage delivered by rail and truck to and in Ontario exceeded all previous records. A substantial tonnage of the company's products was used in the new power development at Queenston.

Demand for sewer pipe was active throughout the year, as was the market for steel buildings. Supply division was responsible for 54% of the dollar volume and 82% of the net income.

Company joined in the formation of National Slag Ltd., Hamilton, to the extent of one third interest, and anticipates that total investment in this company will amount to about $300,000. Partial operations began in June, 1954.

Capital expenditures on plant and equipment amounted to $728,000 bringing the amount in the last 10 years to $4.5 millions.

Consolidated net profit for the year ended Mar. 31, 1954, was $972,536, 26.1% higher than consolidated net for the previous year of $771,181. Earnings per preferred share before participation amounted to $156.53 ($19.45 the previous year) and $3.08 on the common after participation ($3.23). Dividends on the preferred amounted to $1.25 in both years with a participating dividend of 50c in 1954 (62½c). Common dividends were 87½c plus a special dividend of 50c ($1).

Capital stock of the company now consists of 284,952 shares of one class of stock, and there are no fixed obligations of any kind.

## Standard Clay

Standard Clay Products Ltd. manufactures salt glazed vitrified and fire clay products, including sewer pipe, culvert pipe, concrete pipe, wall coping, flue linings, etc.

It owns five plants: three at St. Johns, Que., and two at New Glasgow, N.S. Total capacity is 30,000 tons a year. Several years ago, a new kiln was put into operation at St. Johns to balance plant and kiln capacities, and in 1951 a new pipe unit was added at St. Johns.

Annual report is not usually issued until April. In 1953, the company showed a net profit of $9,671, almost unchanged from $9,733 in 1952. The summer and fall market was good, but during the 1952-53 winter manufacturing operations were suspended for four months at New Glasgow and two months at St. Johns. Prospects for 1954 were thought to be encouraging.

Increased sales were expected by the new subsidiary Standard Concrete Products, incorporated in 1953 to further the sale of concrete sewer and culvert pipes.

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The new Owen Sound Collegiate and Vocational Institute, a mass of circular steel segments, vectors, arcs and verticals, 40 feet high and 170 feet in diameter totalling 315 tons in all.

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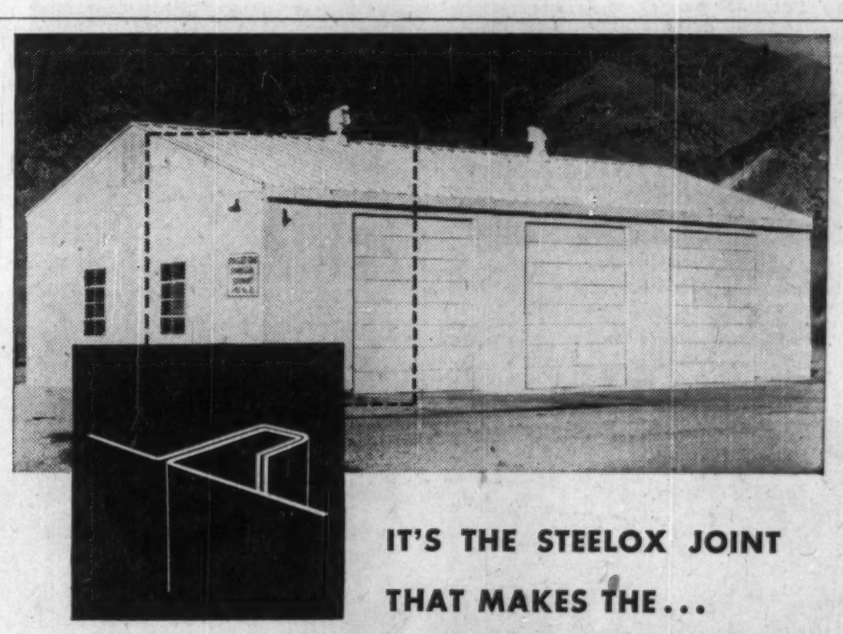

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4. EASIER AND QUICKER TO ERECT—with skilled or unskilled labour—because of the simple exclusive STEELOX joint construction.
5. EASIER AND QUICKER TO DISMANTLE AND MOVE because of the easy-to-separate STEELOX panels . . . you don't have to "rip out the stitches".
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# New And Growing Towns Spell Big Business

## *Municipal Construction Needs Are Breaking Records To Good Purpose*

The municipal construction picture in Canada is bright and busy.

Municipalities have been carrying out capital expenditure programs on a scale never previously approached. New records, established in 1954, will in all probability, be shattered in 1955.

With the over-all economy hesitating in view of unsettled world conditions, this municipal expansion may, at first glance, seem unusual. A second look reveals a very practical reason for it all.

During 1954 municipal debentures enjoyed better than average reception on the market, and municipal officials, after lean years, were quick to spot their opportunity. Long overdue projects were launched last year thanks to the favorable bond market. And, with the same favorable conditions holding good in 1955, a continuation of this policy is indicated.

An interesting alternative to this reasoning was forwarded by the mayor of a western city. "Unemployment has become a considerable factor in our budgeting; the more we budget for capital expansion, the less we shall have to budget for welfare."

If municipal expansion were to adopt a coat of arms it might well be based on a water main rampant. Small towns and villages, where the well and outhouse have been standard fixtures, have collectively spent millions for installation of modern water and sewage plants.

"People are no longer satisfied with drawing a bucket of water from the well or walking to the outhouse," remarked an alderman of a Nova Scotian town. "Call it keeping up with the Joneses or call it what you like, but our people want to feel that they have as much as anyone else."

### Where Alberta Scores

This same reasoning might well have been behind the decision which brought modern water and sewage facilities to the town of McLellan, Alta (pop. 1,200) at a cost of $210,000.

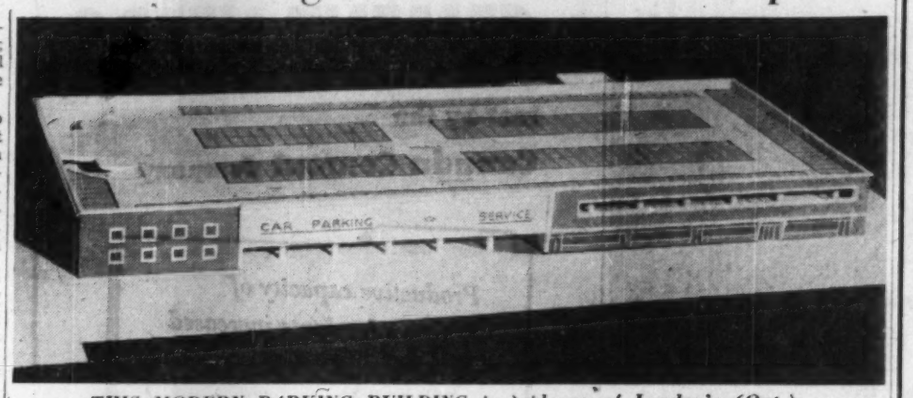
In McLellan, however, as in all Alberta municipalities, there is a gimmick. The province struck oil. Thanks to the fortune which gushes forth from almost every hole in the ground, the province is able to loan money to municipalities at fantastically low rates of interest.

Even in provinces where oil has not enriched the provincial kitty though, a remarkable municipal expansion has been noted.

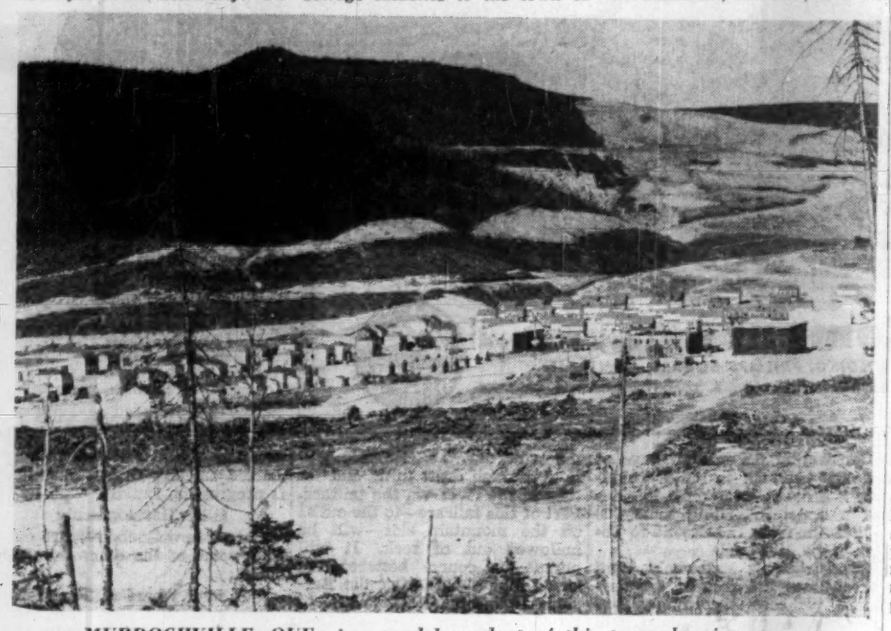
A different formula has been applied. Yarmouth, N.S., provides a good example. Water mains, laid many years ago were no longer able to serve the needs of increased population. Replacement of these mains would have wrecked the budget of any one year. But by spreading replacement over a five-year program, Yarmouth will soon have a completely modernized system. The same system worked in London, Ont., and Burnaby, B.C., as well as many other municipalities.

Throughout Canada, water and sewer systems installed last year cost more than $139 millions as compared to $99 millions in 1953. Road, highway and bridge construction undertaken by municipalities passed the half-billion mark registering an increase of more than $115 millions over the previous year.

The same trend was evident in electric power construction which increased by $35 millions over 1953 to near the $500-million mark in 1954.




*THIS MODERN PARKING BUILDING is evidence of London's (Ont.) progressive attitude to a modern problem. Co-operation between the City Council and merchants made the plan possible. Now it's being built on the site of the market square that served Londoners for generations.*



*MURDOCHVILLE, QUE., is a model product of this town-planning age. In this fledgling Gaspe town, residents look for the modern services found elsewhere and they are getting them. That was the first task handled by the new town's council.*

In each of these departments, municipal budgets for 1955 indicate a continued expansion.

### $7-Million Regina Project

Last year, Regina completed the $7-million Buffalo Pound water project. The 1955 program includes two fully equipped fire halls, a high school, and storm sewers at a total cost of some $3 millions.

Enough? Not for Regina. The report of a sewer rehabilitation study due shortly is expected to recommend a $7-million project. "And," says City Clerk Wm. W. Spicer, "this year we are also going to win the Grey Cup."

Throughout the west, this same exciting spirit is evident everywhere. Not just in Regina and Calgary, but in Spirit River, Brooks, Champion, Veteran, Eckville and Mayerthorpe where modern water and sewerage systems and sidewalks have been built in 1954.

While expansion has been less spectacular in the east, it is still evident.

Louiseville, Que., has had a water-distribution system for years, too many years. It was worn out. At a cost of more than $200,000 the entire system, all five miles of it, was replaced last year.

In Windsor, Ont., the pilots of civic affairs decided that waste ground and derelict buildings in the city centre added little to the tax rolls and much to the less attractive appearance of the city.

Both aspects of the situation are now being solved. Giant bulldozers are leveling the entire area. After this, the city will install water and sewer facilities, construct good roads and listen to the ring of the cash register as industry moves in on this choice location.

### Modern Methods Used

If Canadian municipalities are to ride this expansion program to maximum efficiency, modern methods are called for.

Here, too, they are on the ball.

In Waterloo, Ont., the City Engineer found a machine that could lay asphalt curbs faster and at lower cost than the conventional concrete types. Waterloo is now getting asphalt curbs.

Oxford county uses the latest Kodak equipment to record documents in its registry office; Fort Erie and Kitchener use modern machines to clean catch basins and sewers.

This streamlining has saved money—money that is being spent on city halls, sewage treatment plants, new streets, efficient street lighting.

But what of our new municipalities? Oh yes, there are a lot of them—96 brand new ones between 1952 and 1954, more to come in '55. These new municipalities are not just villages graduating into towns, towns to cities, etc. The total of Canadian municipalities actually increased by 96. Four new cities, 32 more towns, 41 more villages, 19 additional townships and rural municipalities.

In the last five years, Newfoundland has boosted its number of towns from 20 to 37.

If older, established municipalities have been spending so freely on capital projects, how much must these fledgling towns and villages add to the over-all expenditure?

When Canada added almost 100 of these new municipalities in the last two years, how many can we expect in 1955?

Keep in mind that each one will want water, sewers, paved roads, a municipal building, and everything else that goes into a 20th century town and you get a rough idea of why this municipal business has become one of Canada's biggest.

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# Bersimis: A Triumph Over Nature

## *Power From Quebec Project Will Flow In 1957*

Another triumph of man's mind and his energy over the wilderness is being achieved in Northern Quebec where new conquests will chain vast power.

Roughly 450 miles from Montreal, 85 miles upstream from the St. Lawrence River port of Forestville, is the mammoth new $225 million Bersimis power project of the Quebec Hydro-Electric Commission.

Slowly the engineers are winning out, and soon 1.2 million h.p. will be chained to serve the shops, the stores, the homes and factories, the mines and offices of Quebec. First flow of power from this giant is scheduled for 1956. By 1961 eight massive generating units will be flooding the surrounding area and the province with the pent-up energy of the northern waters.

In scope and location, the project is typical of the economic development opening up so much of Canada these days. It is typical, too, of the way Quebec's publicly and privately owned power utilities are combining to play their part in growth. Their generating capacity has risen by nearly 90% since the war. At the end of 1954, the total stood at 7.7 million hp.

The Bersimis job is big. Just how big can be seen by some of the statistics:

—**The powerhouse** itself will be built underneath a mountain. Eight generating units capable of producing 150,000 hp apiece will be housed in it. They will be the most powerful single units in existence, and are expected to come into operation as follows: two in 1956, one each in 1957 and 1958, and the remaining four by 1961. All work is proceeding on or ahead of schedule.

—**A tunnel nearly eight miles long and** 36 feet in diameter will channel the water under the mountain to the powerhouse. It will drop the water 875 ft. Bored through solid rock, nearly a million tons will be hacked out of it before it is complete.

—**Ninety miles upstream** from the mouth of the Bersimis, at Lake Pipmuacan, there will be a dam 200 ft. high and 2,500 ft. long, and a reservoir with a capacity comparable to Lake St. John and the great Gouin reservoir.

—**A new town, Labrieville,** is all but completed. Already it has 117 homes occupied, a post office and a bank. Eventually there will be an eight-room school, a hospital, a hotel, commercial and administrative centres, a recreation centre, and a telephone central as well as other buildings.

—**Transmission lines** will radiate out to link up with the Province's other electrical networks. These lines will themselves cost millions of dollars.

Construction progress in 1954 on the Bersimis included clearing of the site, road-building, erection of camps, installation of a temporary powerhouse, establishment of a dock at Forestville, beginning of excavation work on the permanent powerhouse and the 7½-mile tunnel to bring water from a dam 200 ft. high on Lac Casse.

Now, Quebec Hydro reports, the tunnel excavation is over three-quarters done, concrete work has been started in the roof of the powerhouse and part of the tunnel, the dams are at the stage where they can start accumulating water. And the Labrieville—Charlevoix transmission line is advancing rapidly.

### Tricky Cable Job

Besides being the largest hydro job under way in Quebec, Bersimis in 1954 generated one of the trickiest engineering projects handled in Canada for some years.

This was the biggest task of its kind ever attempted: laying a 31½-mile high-voltage cable on the St. Lawrence Riverbed to bring power to the Gaspe Peninsula, initially from Manicouagan Power Co. but later from the giant Bersimis plant.

Last summer, the British cable-layer H.M.T.S. Monarch arrived at Rimouski, where 3,300 tons of cable, specially made by Canada Wire & Cable Co., had been assembled. The Monarch's course had been laid out carefully by radar soundings, and over the following few weeks it laid four separate lines, 4,000 ft. apart, across the river.

Each line laid by the Monarch was 26 miles long, and was then spliced to 2¾-mile lengths at either end by anchored barges. Total capacity: 100,000 hp. much of it slated for the Gaspe Copper Mines development of Noranda. Total cost: $15 millions.

Unfortunately, after all the fanfare, this new transmission line has not been working properly so far. It was inaugurated Oct. 10, but a month later Quebec Hydro announced that transmission of power through the four underwater cables had not been carried out successfully.

Then in December, officials reported the cable would not be ready for service this winter; power had been transmitted under an increasing load when a fault developed. They blamed frequent storms during the summer for delaying the cable-laying, leaving no time to make adjustments or repair faults discovered during operating tests.

Hydro officials are confident the trouble will be righted this spring. Meantime, the Commission has acquired a 1,000 kw. mobile diesel-electric plant to aid Lower St. Lawrence Power Co., a south shore operator which had been counting on the new north shore power source.

### The Site of Bersimis

To grasp the magnitude of the task, it is only necessary to compare it with two other major engineering feats undertaken in Canada. The Bersimis tunnel, for example is 50% longer than Niagara's underground network, while its diameter is 40% wider than the Kitimat tunnel.

Here is the picture presented by the Quebec Hydro:

A dam at Lac Casse, on the

(Continued on page 70)

*Province of* Saskatchewan

*DEPARTMENT OF MINERAL RESOURCES*

**PUBLIC NOTICE**

**Exploration Permits on Public Lands for Sale**

The undersigned will receive up to 4:00 p.m., March 16, 1955, sealed bids to purchase the following:

**Block 41:** 57,782 acres more or less of Crown Lands available in Townships 9, 10 and 11, Ranges 29 & 30; all West of the Third Meridian.

**Block 42:** 92,960 acres more or less of Crown Lands available in Township 18, West one-third of Township 19, Range 25; Township 18 and Fractional Township 19, Range 26; Township 17 and Fractional Township 18, Range 27; Fractional Township 17, Range 28; all West of the Third Meridian.

**Block 43:** 87,520 acres more or less of Crown Lands available in the West half of Townships 16 and 17, Range 24; Townships 16 and 17, Range 25; Township 17, Range 26; all West of the Third Meridian.

**Block 44:** 100,000 acres more or less of Crown Lands available in the West five-sixths of Township 22, Range 22; Townships 21 and 22, Range 23; Townships 21 and 22, Range 24; all West of the Third Meridian.

**Block 45:** 93,440 acres more or less of Crown Lands available in Townships 26, 27, 28, 29, 30, Range 14; Townships 26, 27 and 28, Range 15; Townships 26 and 27, Range 16; all West of the Third Meridian.

**Block 46:** 97,760 acres more or less of Crown Lands available in Townships 29 and 30, Range 5; Townships 30 and 31, Range 6; Townships 30 and 31, Range 7; Township 30, Range 8; all West of the Third Meridian.

**Block 47:** 84,800 acres more or less of Crown Lands available, exclusive of Department of National Defence Lands, in Township 31, West half of Township 32, Townships 33 and 34, Range 5; Townships 32, 33 and 34, Range 6; all West of the Third Meridian.

**Block 48:** 95,728 acres more or less of Crown Lands available in Townships 20, 21 and South half of Township 22, Range 27; Townships 20, 21, 22 and 23, Range 28; Townships 21, 22 and 23, Range 29; all West of the Second Meridian.

**Block 49:** 93,360 acres more or less of Crown Lands available in Townships 21, 22 and 23, Range 25; Townships 20, 21, 22 and 23, Range 26; North half of Township 22, Township 23, Range 27; all West of the Second Meridian.

Any permits granted are subject to the regulations made by Order-in-Council 1600/53 and amendments thereto.

Individually sealed bids are to be accompanied by the full amount of the purchase price together with the rental for the first year at the rate of 2 cents per acre and such other information as may be required by the regulations.

Each envelope must indicate the parcel identification and the opening date indicated in the advertisement.

The purchase price and rental must be in the form of certified cheques.

The department reserves the right to reject any or all bids and to refund the money submitted by unsuccessful applicants.

The bids will be opened in public, in the office of the Deputy Minister at 4:00 p.m., March 16, 1955.

Bids will be accepted or rejected within ten days of the opening.

Jas. T. Cawley, P.Eng.,
Director of Petroleum & Natural Gas,
Department of Mineral Resources,
Govt. Administration Building,
REGINA, Saskatchewan.

# B. C. Gets Key Secondary Industry

## *Pipe-Making Project Links With Natural Gas Era*

A new chapter in British Columbia's industrial history is being written at Port Moody, just 17 miles east of Vancouver, with the construction of a $6 million pipe and tube manufacturing centre by Canadian Western Pipe Mills Ltd.

When the plant goes into production in May of this year, it will be the first of its type established in Western Canada, and is rated by observers of B.C.'s development picture as a key secondary industry in view of the natural gas era now dawning in the province in which thousands of miles of pipe and related products will be needed.

Canadian Western Pipe Mills Ltd. is a subsidiary of the Rheinrohr organization of West Germany, who are Europe's oldest and biggest pipe and tube mill operators.

The Rheinrohr group's selection of B.C. for extension to North America of its already far-reaching operations, also puts the province right up front in sharing in a new capital investment trend in Canada, which is seeing Europeans competing more strongly with American and British investors for a stake in the Dominion's future.

Says Canadian Western's hard-driving but genial managing director R. M. Reiner: "Our parent company considers this development as a partnership with the people of Canada.

"This is symbolized by the rapidly rising plant . . . an accomplishment of co-operation between German technicians, directed in Canada by Heinrich Remmert; the company's consulting engineers, B. D. Bohna, J. L. Miller & Co. Ltd.; and the Canadian engineering and technical staff of the company headed by M. R. (Myles) Frechette.

"It has been a long and difficult struggle for West Germany to reach a point in its recovery where it can repay, in a tangible manner, the faith that countries like Canada have evinced during the postwar years," Mr. Reiner added.

**Covers 16 Acres**

The initial development, when completed, will encompass some 16 acres of the 100-acre site and provide 145,000 sq. ft. of production floor space, a three-story head office and administration centre, machine shops, testing laboratories, warehouses, two electric substations, new access roads and railway spur lines.

The main building will be 826 ft. long, one of the longest industrial structures under one roof in Western Canada. It will be 251 ft. wide at its widest point.

The expansive manufacturing area will be divided into three main halls which will house two complete production lines for pipe, conduit and mechanical tubing.

The pipe mills have an annual potential of more than 60,000 tons of black and galvanized pipe, ranging in diameter from ½ in. to 4 in., and in length from 10 to 45 ft., for gas, oil, water, steam, air, electrical and structural uses.

Initial production plans for conduit cover the rigid type together with its companion, thin wall conduit, for the whole range of installation work in the electrical field.

The plant will also manufacture mechanical tubing, a high-quality precision product, whose field of application embraces many machine-assembled tubular products. A different grade of tubing will be marketed for use in furniture manufacture.

All these products will be produced by the continuous cold-forming, electric resistance weld process, which is being adopted by more manufacturers due to the high quality of the finished product and fabricating efficiencies.

Steel that will be fed in ribbon-like strips to the sequence of de-scaling, welding, sizing, straightening, cut off, trimming, threading and testing machines, will come from Canadian and other mills.

"With the over-all project approximately 70% completed now, we are well on our way to hitting our target date of April for mill run-ins, which to the best of our knowledge will be a record time for construction of a plant of this type, scale and complexity," reports a company spokesman.

The development was launched in April, 1954, with the start of site clearing and all subsequent operations have followed to a tight timetable.

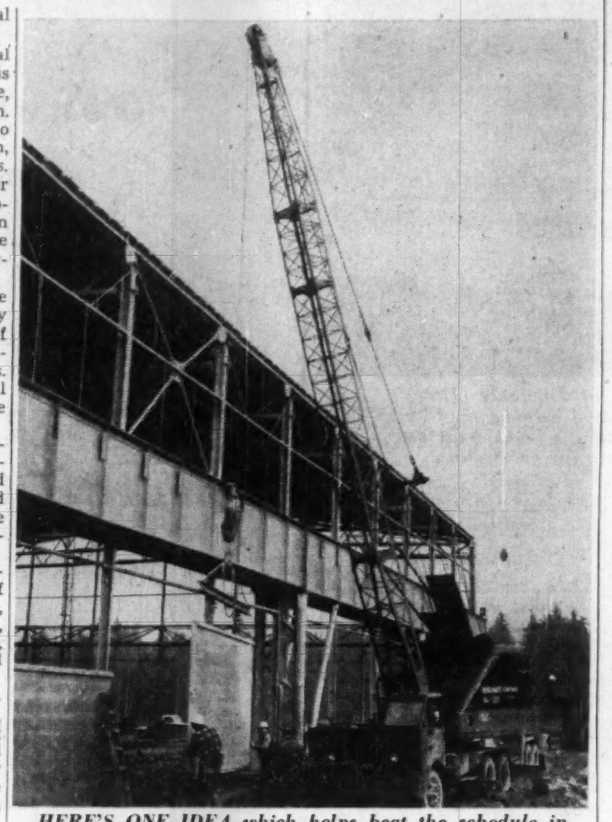
Various major phases of the development program are being "telescoped" with construction crews and installation specialists dovetailing their efforts to meet and beat schedules.

Several "firsts" are being chalked up in the way of techniques and materials being used in the project.

"When test drilling showed that the firm strata for foundations, which we expected to locate at a depth of 10 to 15 ft. below the surface was so irregular that depths of 20 to 50 ft. had to be reached, this fact, together with the properties of the soil, made it advisable to employ a special type of piling," Project Engineer Frechette reports.

"So, for the first time in Western Canada, the Franki system, which enables compressed concrete piles to be formed in place from the bottom of the hole up, without permanent casings, has been used throughout the plant-site."

Concrete manufactured in B.C.



*HERE'S ONE IDEA which helps beat the schedule in building the $6-million pipe and tube-making plant of Canadian Western Pipe Mills Ltd. at Port Moody, B.C. One of the specially designed, precast concrete wall panels is being swung into place.*

is playing many other key roles in construction of the huge plant.

In various pre-cast shapes and sizes, it is being swung into position by cranes to provide beams, walls and roof sections. The pre-cast roof slabs have been specially designed and are the lightest ever used in a major construction project on the West Coast, averaging only 12 lb. or less per square foot.

Another important "first" in construction in Canada is the use of prefabricated tubular steel assemblies, somewhat like king-size erector sets, for the main structural frame of the building.

Meanwhile, as he keeps a finger on the pulse of the construction program, Managing Director Reiner, with the apparent inexhaustible energy that has seen him head up a similar development in South America, is fast consolidating Canadian Western's labor requirements and marketing position.

He estimates the plant's employment potential at beween 200 and 300 persons.

"Aside from about half a dozen technicians, who will come over from the parent company in Germany, our employees will be drawn from Port Moody and district, elsewhere in B.C. and the rest of Canada," Mr. Reiner stressed.

"Our marketing plans for the present are being concentrated in B.C., Alberta and Saskatchewan," he explained. "The major emphasis of our inaugural program will be on serving and pacing the tremendous business and industrial growth of the West."

# Bersimis Power Will Flow In 1957—Quebec Triumph

(Continued from page 69)

Bersimis river, will convert Lac Casse and Pipmuacan Lake into a reservoir containing 385 billion cu. ft. of water, of which 160 billion is useable between elevations 1,275 and 1,300. This water comes from the river's upper watershed which concentrates 4,860 sq. miles of its entire watershed of 6,960 sq. miles. The high-water level of this reservoir will be at 1,300 ft., elevating Pipmuacan Lake by 75 ft. and Lac Casse by 155 ft.

To obtain full benefit from the waterfalls dotting the first 18 miles below the dam, a concrete-lined tunnel of 31½ ft. diameter and 7.6 miles in length will divert their flow into the underground power plant at Labrieville. A head of 875 ft. will be used, with a regulated flow of 9,320 cu. ft. per second the year round, to generate over 1 million hp.

At a point 20 miles further down the river, two other power plants—with a total capacity of some 500,000 hp.—will wrest the balance of its hydraulic power. Current studies will establish shortly the details of these two power plants which could possibly be concentrated into one.

In hydro-electric development this is the picture:

The tunnels will be terminated at Labrieville by eight penstocks of 12 ft. to nine ft. in diameter with valves of 7 ft. 9 in. Every penstock will feed a group of Francis turbine generators of 150,000 hp. each, providing the over-all installation of 1.2 millions. Each transformer, complete with oilfill, weighs 86.8 tons.

Four 300,000-v. transmission lines—the highest tensions attempted in Eastern Canada—will carry energy toward Quebec for allocation into the huge interconnecting system of Lake St. John, Shawinigan and Hydro-Quebec. One double circuit line of similar voltage will be constructed between Quebec and Montreal to reinforce this system and to make Montreal benefit directly from this new source of power.

A double-circuit, 161,000-v. line will be put into service as soon as possible to link the Bersimis power plants with the starting point for the submarine cable to the South Shore. In the meantime and starting this year, the cable will be linked with the Quebec North Shore Power systems on the Outardes and Manicouagan rivers. The temporary tie-in with the Outardes plant will be made five miles from the head of the cable.

Although the submarine cable project is not linked directly with the Bersimis development—as far as accounting is concerned—it is significant:

Considering its length and power this submarine cable—31½ miles long and carrying 100,000 horsepower at 69,000 v.—will be unprecedented. It will be connected to the plant at Les Boules, where it will provide a part of its load for local requirements. The balance of the load will be transformed into 161,000 v. and transmitted along a 142-mile line to the Gaspe Peninsula, where it will supply recently discovered copper mines. The possibility of extending this line to the Town of Gaspe itself is being studied presently.

**Two Big Dams**

At Lac Casse, there are actually two dams. The main one—2,210 ft. long, 900 ft. wide at the base, with a 40-ft. crest, and 200 ft. high—will be located at the head of the Bersimis River. The other dam, on the Desroches River, will be smaller—1,035 ft. long, 825 ft. wide at its base and 200 ft. high.

A spillway, hewn out of the mountain separating the two dams, will take care of a part of the surplus water in the reservoir. The remainder of the surplus may serve, if needed, to increase the flow of the Saguenay basin. Both dams will be constructed of earth and rock, with about five million cu. yds. of rock, gravel and earth to be required for their erection.

Additional dams or dikes are projected for the western end of the reservoir to prevent water from the Bersimis watershed spilling into neighboring basins. The work will be carried out mainly in 1955.

**The Underground Work**

The main tunnel will be 40,139 ft. long with an excavated diameter of 35 ft. and an ultimate diameter—after being lined with concrete—of 31½ ft.

In addition to this main tunnel are four adits—access galleries—one of which, 250 ft. long, will be the entrance to the power house. The other adits—2,366, 2,296 and 1,360 ft. long, respectively—will lead to the tunnel proper. All adits have been completely excavated.

Total length of these tunnels, including the 1,050-ft. diversion tunnel at Lac Casse, is approximately 48,000 ft. By last July some 25,000 ft. had been excavated. Excavation and concrete lining should be completed by the fall of 1955.

Some 2.2 million cu. yds. of rock have to be blasted and mined for the tunnels, adits, power house and tailrace. No less than 407,000 cu. yds. of concrete will be poured, representing 2.2 million bags of cement—enough to build a sidewalk three ft. wide on both sides of a street extending some 700 miles—or from Labrieville to Toronto via Montreal.

The rock is extremely hard throughout the area of the Bersimis project. Accordingly, underground excavation alone will require some 4,300 tons of dynamite. Some 1,000 tons of dynamite should be added for work in the open.

The only underground generating plant in the Province of Quebec, the Bersimis powerhouse will be hollowed out of solid rock. It will be 565 ft. high, 65 ft. wide.

Equipment for the project will include a mobile crane of 400-ton capacity to handle huge machines and manoeuvre other heavy machinery and material inside the powerhouse.

An air conditioning system will maintain the atmosphere at the temperature and degree of humidity guaranteeing the comfort of employees and the proper operation of the generating units.

Once it has completed its work, the water of the Bersimis will flow through draft tubes and return to the river via the tailrace. Part of this tailrace—to the outlet on the mountain side—will be hollowed out of rock. It will pursue its course between the sandy shores bordering the Bersimis at this point. That part of the tailrace under the mountain—nearly 760 ft. in length—will have an average height of 70 ft. and a width of 48 ft. This means that nearly 100,000 cu. yds. must be extracted.

The open section of the tailrace will form a trapeze, widening by degrees as it makes it way toward the river. One base of this trapeze will measure 75 ft. and the other will be 400 ft., with a distance of some 1,050 ft. separating them. Nearly 1 million cu. yds. will have to be extracted from this open portion of the tailrace.

A particularly difficult problem must be solved to complete the dredging—a coffer dam of some 80 ft. in depth must be built on a sandy foundation to permit excavation of that part of the tailrace adjacent to the river. Excavation work on the tailrace started on May 15 last year and is progressing rapidly.

**Other Developments**

Here is how Quebec-Hydro outlines some of the other developments:

—A new wharf at Forestville was completed in December, 1953, to handle all material shripped by water. A 50-ton crane towers above the wharf to unload large pieces. A good-sized warehouse was built during the winter of 1954 to store all material awaiting transshipment to Labrieville.

—Anglo-Canadian Pulp and Paper Ltd. roads were improved or built—50 miles were improved and 90 miles of new roads completed.

—To guarantee communication, 85 miles of telephone line were erected, connecting all camps to Labrieville or Forestville. A 15-mile trunk line of 11 pairs, as well as three miles of distributing line, are in operation also. A radio communication system is installed at the various stations and in emergency vehicles.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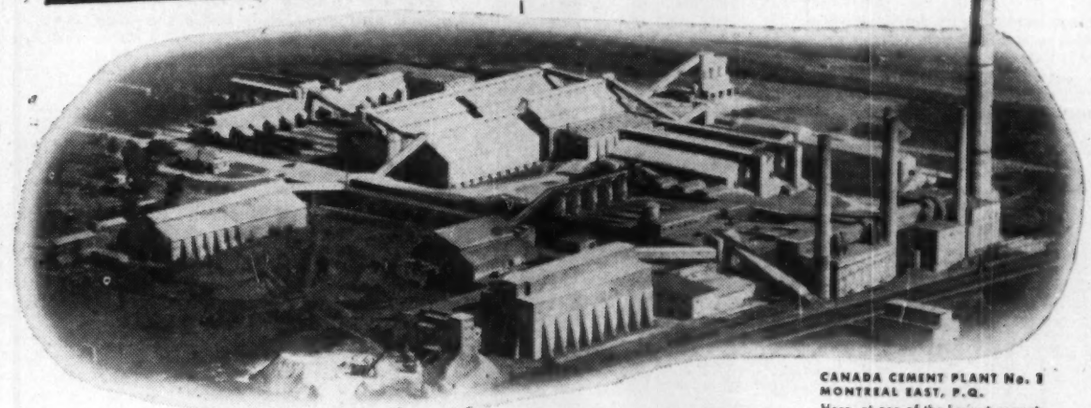

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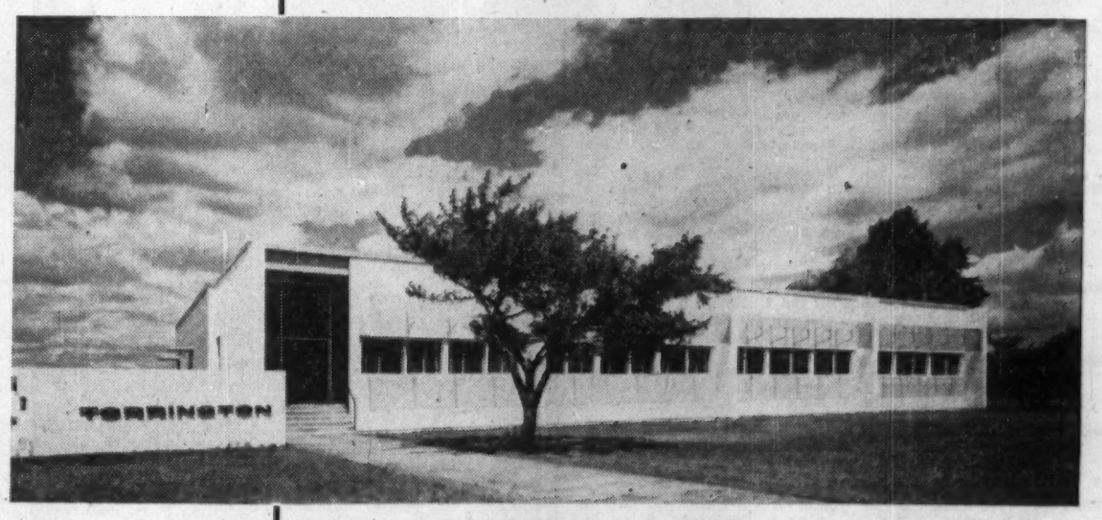


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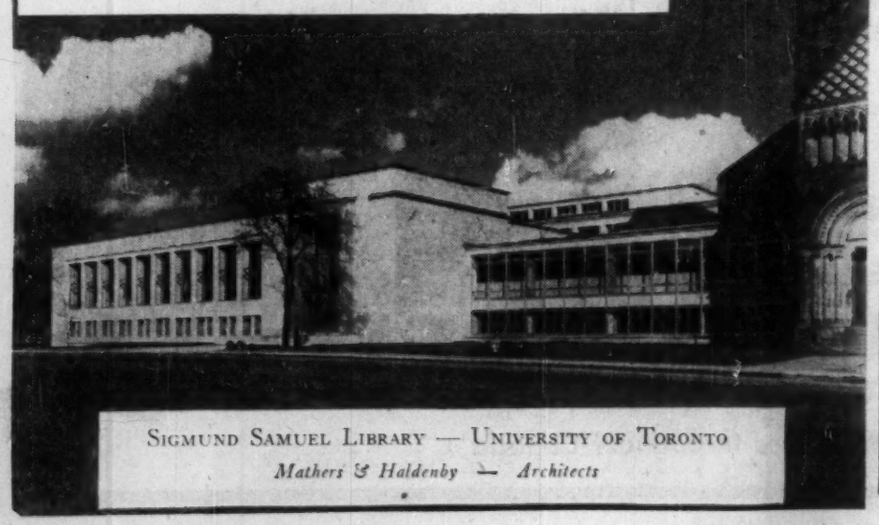

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# Union Demands Ease, But Construction Wages Still Climb

## *Long-Term Industry Jobs Bring More 2-Year Pacts*

Construction labor's pressure for wage increases lessened slightly last year and may ease off a bit more during 1955.

That, at least, is the fervent hope of the construction industry.

Whether the hope becomes reality depends on bargaining sessions now getting under way across the country. By early spring, the labor talks will be in full swing.

A number of things back the suggestion that construction wage increases will moderate this year:

—They did last year. The average 1954 index of wage rates for on-site building trade workers increased by 4%, compared with a boost the year before of more than 5%.

—With business—for the present, at least—not quite as buoyant as in 1953, workers are beginning to realize that too-high wage costs may kill the goose that lays the golden eggs.

—There's a good chance that living costs will remain stable in 1955. That would moderate labor demands for more money.

And here's another thing that looks likely: The number of two-year labor-management contracts in the construction business will continue rising.

There's been steady pressure by the industry during the last three years for two-year contracts. The argument: Many big construction jobs take more than one year to complete. The shorter the contract the more likely you are to have protracted negotiations, wage increases, even strikes, taking place during the life of a job.

The fact that two-year agreements are on the increase is a sign that the workers realize the validity of this point of view.

Currently, it appears that about 25% of union construction workers work with two-year contracts, 17% with contracts between one and two years long, 50% with the one-year contract, the remainder with contracts running less than a year.

But though unions eventually may settle for smaller increases than in 1954 and certainly for less than in 1953, initial demands probably will be high.

For one thing, when the unions present their demands, it will still be difficult for them to predict whether 1955 will be a generally better business year than 1954. If this year is going to be a better year, the building workers will want a bit more than they got a year ago.

So the technique may be to start with big demands, then tone them down months later to fit the business conditions of the times. This means that most contract settlements probably will be a long time coming.

And it could lead to trouble. Long periods of fruitless negotiation sometimes result in frayed tempers and demands and actions which would otherwise never occur.

To an extent, this happened in 1954. Negotiations stretched out as employers put up a strong fight against any wage boosts that would hike costs substantially.

Some of the disagreements reached the strike stage, finally. Result: Some 190,000 man-days were lost through construction strikes in 1954 compared with 36,000 in 1953. But the total last year remained far under the recent record of 346,000 in 1952.

Broken down, here are 1954's main developments in construction labor:

**Wages:** They were the biggest issue. From a survey, it appears that a little more than half the union contracts signed contained increases. Most of the pay boosts were around 5c hr., almost none were for more than 10c.

**Vacations:** Five more trades in Ottawa and several Winnipeg trades got vacation pay allowances of 4%. New Brunswick passed a new Vacation With Pay Act, setting up a stamp system for use in the payment of a 2% allowance.

**Welfare:** An agreement with Saskatoon painters provided the only new welfare plan in 1954. In two other cities it was decided to give further study to union suggestions for welfare plans.

**Strikes:** Of the 190,000 man-days lost, the biggest chunk resulted from the walkout of 3,600 Montreal plumbers during the fall. Other major strikes: Toronto bricklayers, Toronto cement finishers, Ottawa electricians.

The industry has been particularly troubled the last two years by jurisdictional disputes. With the current plans for labor unity and no raiding among unions, this problem could diminish.

Another construction industry worry revolves around wage rates paid by some U. S. refinery contractors in Canada. These have had the effect of pushing up wages generally in some areas.

In fact, the Canadian Construction Association's Labor Committee blames the Montreal plumbers' strike on "premium agreements signed on Montreal refinery projects."

Some U. S. firms coming into Canada are bound by their union agreements to pay a uniform wage, whether in the U. S. or Canada. Canadian construction companies contend the U. S. operators should abide by terms of the collective bargaining agreements in the Canadian areas where they are operating.

What happens this year when construction labor talks to construction management represents the major variable in the general costs picture.

Cost of both residential and non-residential building materials has been stable or tending slightly downward since 1952. The wage rate index, however, has risen from 129.6 in 1952 to 133.2 in 1953 to 140.3 in November, 1954. The wage rise has been 40% since 1949, while materials cost is about 20% higher.

A 2% boost in wage costs could mean a $100 increase in the price of the average house, if other costs remain the same. Consumer reaction to this possibility will go a long way toward determining how much opposition employers will offer the unions.

Union officials, too, will be keeping a careful eye on the level of housing purchases. They know that a drop in buying soon would overbalance any benefit gained from a wage increase.

The pacesetting city may be Montreal. Many of its building agreements expire this year after running for two years.

### Construction Wages—They're Still Climbing

| City | Bricklayers | | | Carpenters | | | Electricians | | | Painters | | | Plasterers | | | Plumbers | | | Sheetmetal Workers | | | Laborers | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 | 1945 | 1953 | 1954 |
| Halifax (a) | 1.15 | 1.81 | 1.88 | .95 | 1.56 | 1.61 | 1.06 | 1.67 | 1.71 | .81 | 1.37 | 1.37 | .95 | 1.70 | 1.75 | 1.021 | 1.65 | 1.70 | .85 | 1.47 | 1.47 | .52 | 1.10 | 1.10 |
| Saint John | 1.10 | 1.80 | 1.80 | .81 | 1.50 | 1.53 | .85 | 1.57 | 1.57 | .76 | 1.34 | 1.40 | 1.10 | 1.80 | 1.80 | .88 | 1.55 | 1.55 | .81 | 1.25 | 1.25 | .53 | .75-1.15 | .75-1.15 |
| Quebec | 1.00 | 1.65 | 1.70 | .80 | 1.45 | 1.50 | .80 | 1.45 | 1.50 | .75 | 1.40 | 1.45 | 1.00 | 1.65 | 1.70 | .80 | 1.45 | 1.50 | .80 | 1.45 | 1.50 | .60 | 1.10-1.20 | 1.15-1.25 |
| Montreal | 1.06 | 2.00 | 2.00 | .96 | 1.80 | 1.80 | 1.01 | 1.90 | 1.90 | .86 | 1.70 | 1.70 | 1.06 | 2.00 | 2.00 | 1.01 | 2.00 | 2.05 | .96 | 1.80 | 1.80 | .61 | 1.25 | 1.25 |
| Toronto | 1.23 | 2.35 | 2.41 | 1.11 | 2.20 | 2.25 | 1.21 | 2.33 | 2.43 | .97 | 1.90 | 1.95 | 1.21 | 2.25 | 2.40 | 1.17 | 2.30 | 2.35 | 1.19 | 2.25 | 2.35 | .67 | 1.20 | 1.25 |
| Hamilton | 1.19 | 2.25 | 2.30 | 1.04 | 2.00 | 2.10 | 1.05 | 2.15 | 2.25 | .86 | 1.65 | 1.65 | 1.07 | 2.15 | 2.25 | 1.07 | 2.15 | 2.25 | 1.04 | 2.10 | 2.15 | .63 | 1.10-1.15 | 1.10-1.20 |
| Windsor | 1.26 | 2.35 | 2.40 | 1.18 | 2.10 | 2.17 | 1.26 | 2.25 | 2.35 | .95 | 1.73 | 1.80 | 1.15 | 2.10 | 2.20 | 1.25 | 2.25 | 2.35 | 1.06 | 2.10 | 2.20 | .75 | 1.50-1.63 | 1.62-1.67 |
| Winnipeg | 1.25 | 2.10 | 2.10 | 1.05 | 1.90 | 1.90 | 1.05 | 1.90 | 2.00 | .90 | 1.63 | 1.65 | 1.25 | 2.10 | 2.10 | 1.15 | 2.00 | 2.15 | .85 | 1.75 | 1.75 | .63 | 1.05-1.25 | 1.05-1.25 |
| Saskatoon | 1.20 | 2.13 | 2.18 | .96 | 1.80 | 1.85 | .93 | 2.00 | 2.00 | .70 | 1.60 | 1.65 | 1.06 | 2.00 | 1.80-2.25 | 1.06 | 2.00 | 2.10 | .81-.85 | 1.65 | 1.80 | .58 | 1.23 | 1.28 |
| Edmonton | 1.31 | 2.22 | 2.30 | 1.03 | 1.95 | 1.95 | 1.06 | 2.15 | 2.25 | .91 | 1.55 | 1.65 | 1.31 | 2.12½ | 2.22½ | 1.16 | 2.15 | 2.25 | 1.07 | 2.05 | 2.15 | .61 | 1.25 | 1.30 |
| Vancouver | 1.29 | 2.32 | 2.40 | 1.12 | 2.17 | 2.22 | 1.19 | 2.30 | 2.38 | .97 | 2.07 | 2.12 | 1.10 | 2.25 | 2.30 | 1.19 | 2.25 | 2.35 | 1.18 | 2.25 | 2.30 | .71 | 1.55 | 1.60 |

(a)—1953 and 1954 rates do not include hourly allowances in lieu of vacation pay.


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# What Are U.S. St. Lawrence Rights?

## *Here's Why Canada, U.S. Are Sharing The Seaway*

***The Seaway's international complications date back to 1871, when Canada and the U. S. signed the Treaty of Washington, and the complications will probably continue "forever." Hon. Lionel Chevrier, head of our Seaway Authority, recently outlined the Seaway's legal background before Toronto's Empire Club. This is a digest of his talk.***

By LIONEL CHEVRIER

What rights have the citizens of the United States on the St. Lawrence River?

The boundary line separating Canada from the U.S. follows the 45th parallel of latitude until it strikes the St. Lawrence River at a point east of Cornwall and then for 112 miles follows the middle of the stream until it strikes the foot of Lake Ontario. This boundary line was fixed by the Treaty of 1783 ending the War of American Independence.

Strangely enough, when this treaty was signed Canada owned a preponderant number of islands in the Long Sault area. Following the War of 1812 the British Commissioners were anxious to have what was then called Grand Island, now called Wolfe Island, immediately opposite the harbor of Kingston, and asked that it be transferred to Canada.

Kingston, of course, was the chief naval base on the lakes, a possible capital, and in fact eventually a capital, and it was felt undesirable to have a foreign country owning an island a mile or two out in the bay, so Wolfe Island was traded for certain other islands. That is the reason why the U. S. owns a greater number of islands at the Long Sault.

Next came the Ashburton-Webster Treaty of 1842, which has one brief reference to the River St. Lawrence, which reads as follows: "It is further agreed that the channels in the River St. Lawrence on both sides of the Long Sault Islands and Barnhart Island . . . shall be equally free and open to the ships, vessels and boats of both parties."

### Two-Way Rights

That clause was put in because the navigation channels in the Long Sault and in the River St. Clair were on the U. S. side, and while there was no likelihood that the use of them by Canadian vessels would be barred, it was desirable to have an explicit understanding that they should be open. A similar provision covering the rights of American vessels in the Detroit River and at Bois Blanc Island, where the chief channels are on the Canadian side, was inserted.

Then in 1871 came the Treaty of Washington. It provided that "the navigation of the River St. Lawrence ascending and descending from the 45th parallel of latitude, where it ceases to form the boundary between the two countries, from, to and into the sea, shall forever remain free and open for the purposes of commerce to the citizens of the U. S."

This is one of the most important provisions of the treaty: that the navigation of the River St. Lawrence ascending and descending from Cornwall to the sea shall forever be open to the citizens of the U. S.

In 1909 came the Boundary Waters Treaty, which established the International Joint Commission to deal with matters relating to those waters of common concern to Canada and the United States which either flow along or across the boundary. As a result, questions affecting the level of these waters are referred to the Joint Commission.

In 1932 came the St. Lawrence Deep Waterway Treaty signed at Washington. It provided for the construction of a 27-ft. waterway from the head of the Great Lakes to Montreal; for a combined power-navigation project in the International Rapids section of the St. Lawrence River enabling the development under a two-stage scheme for 2,200,000 hp. evenly divided between Canada and the U. S.

Under this treaty power was to be developed in two stages, one at the Long Sault near Cornwall, the other at Crysler Island near Morrisburg. There were also to be two canals, one on the American side at Barnhart Island, the other on the Canadian side at Crysler Island. This treaty was defeated in the Senate of the U. S.

In 1941 Canada signed another agreement with the U. S., this one known as the Great Lakes-St. Lawrence Agreement of 1941. It included substantially the same features as the 1932 St. Lawrence Deep Waterway Treaty. It provided for the construction of the remaining links of a 27-ft. waterway from the head of the Great Lakes to Montreal; for a combined power-navigation scheme in the International section of the St. Lawrence River; the power to be developed in a controlled single stage project yielding 2,200,000 hp. divided between the two countries.

According to this agreement power was to be developed under on head at the Long Sault under a plan known as the 238-242 single stage control scheme. The two canals under this scheme in the International section were both in U. S. territory. This agreement, after eleven years of discussion, was neither approved nor rejected by the Congress of the U. S.

Following agreement with U. S. administration, a joint application was made by Canada and the U. S. in June, 1952, to the International Joint Commission for the development of power in the International Rapids section, and Canada agreed to build all the navigation facilities on the Canadian side from Montreal to Lake Erie. While the application for power was approved in October, 1952, by the International Joint Commission, the issuance of a license by the Federal Power Commission to the Power Authority of the State of New York was challenged and it was only on June 7, 1954, that the final objections to this license were overcome in the courts of the U. S.

### U. S. Decided

Meanwhile, the Congress of the U. S. decided to participate in the Seaway. Early in 1954 it passed an Act known as the Wiley-Dondero Act, instructing and directing an American agency known as Saint Lawrence Seaway Development Corp. to build all the navigation facilities in the International Rapids section of the river in American territory.

Here was the situation when negotiations took place between the two governments in July of last year. Canada had taken its decision in 1951 and enacted legislation to build facilities and secured the agreement of the U. S. to this end in 1952. The Wiley Act directing the U. S. to build at Barnhart and Iroquois was passed in 1954.

The result: Canada agreed to refrain from building at Barnhart now, but is continuing with all the works including Iroquois in accordance with legislation now on its books for three years. In fact, work is now under way on several of the projects, including Iroquois.

The present position is, therefore, that Ontario and New York State are proceeding to develop power through their representative agencies. This could not have been possible without American concurrence. In so far as navigation is concerned, the St. Lawrence Seaway Authority is proceeding to build at Lachine and on the Canadian side at Iroquois. Now how does this compare with what took place under earlier treaties?

Under the 1932 treaty the navigation canal passing Crysler Island Dam was to be built in Canadian territory and that passing the Barnhart Dam, in U. S. territory. In the 1941 agreement the navigation canals passing the Crysler Island Dam and the Barnhart Island Dam were both to be constructed in U. S. territory.

Our position today is that we are building at Iroquois; we hope the Americans will decide not to build there, and we hope the day will come when it will be possible to build 27-ft. facilities opposite Barnhart Island on the Canadian side.

The prosperity of Canada is to a large extent dependent upon industrial production and the latter is impossible without modern transportation facilities and without power. Hence the benefits of this great project to both Canada and the U. S. are incalculable.

After many years of hesitation Canada and the U. S. have decided to act together on the Seaway. This action will enure to the benefit of both countries.

*as Canada builds*
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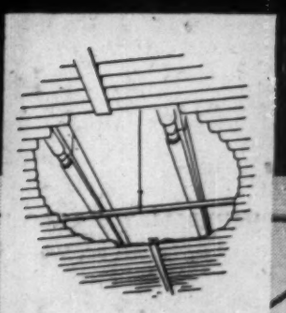
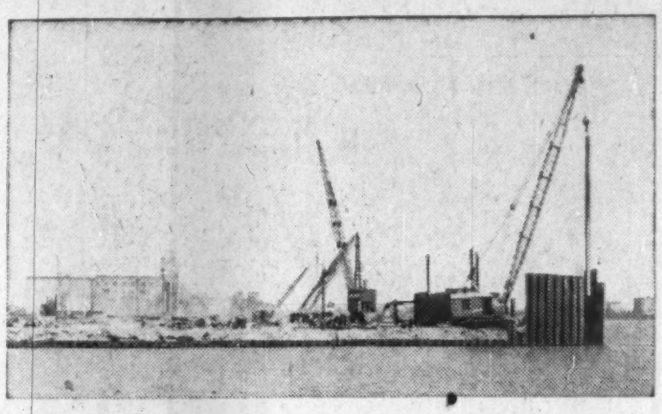


5501R New modern offices of Robertshaw-Fulton Controls (Canada) Limited, Toronto. Installation by C. J. Wilson Co. Ltd., Toronto Electrical Contractors

### TORONTO HARBOUR

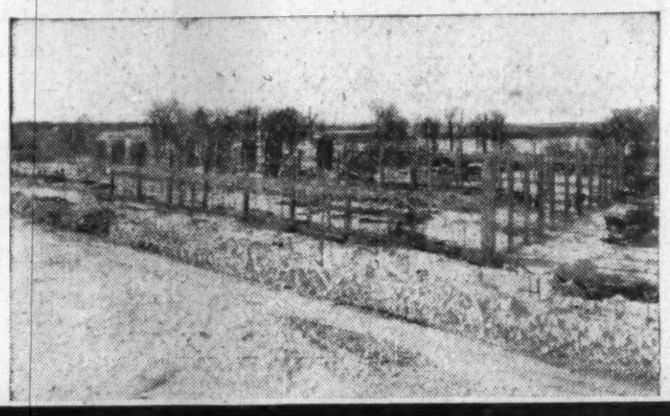
During 1954 McAlpines executed three-quarters of the scheduled two year $1,400,000 contract obtained from the Department of Public Works for the construction of a permanent Quay Wall, 3200 feet long.

The work incorporated 4,000 tons of Larssen steel sheet piling, more than 5,000 wooden piles, over 10,000 cubic yards concrete and entailed the diversion of two large storm water outlets from down-town Toronto.



### MONTREAL WAREHOUSES

Late in 1954 a contract for the construction of two large Naval warehouses was awarded to McAlpines by Defence Construction (1951) Ltd., at nearly $1,750,000. Reinforced concrete framed buildings, they feature prestressed concrete beams. A considerable amount of site excavation was required and only the rapid start made with this work and with the in situ concrete piling enabled the column and beam construction to be well under way in January.



# McALPINE IN CANADA

During its second year of incorporation the Canadian associate of the famous U. K. General Contractors has shown conclusively that in both speed and quality it is fully competent to uphold in Canada the high reputation of the Parent Company.

The growing Canadian organisation efficiently carried out several contracts including the two illustrated above. Other contracts comprised roads and industrial plants.

The Company, with its reputable "old country" background, is proud to be associated with the tremendous industrial and economic growth of Canada, and looks forward with confidence to a great future.

If you have a construction job or are contemplating any development involving construction, contact McAlpines and obtain the benefits of their great experience in the form of an economical and practical job executed in the shortest possible time.

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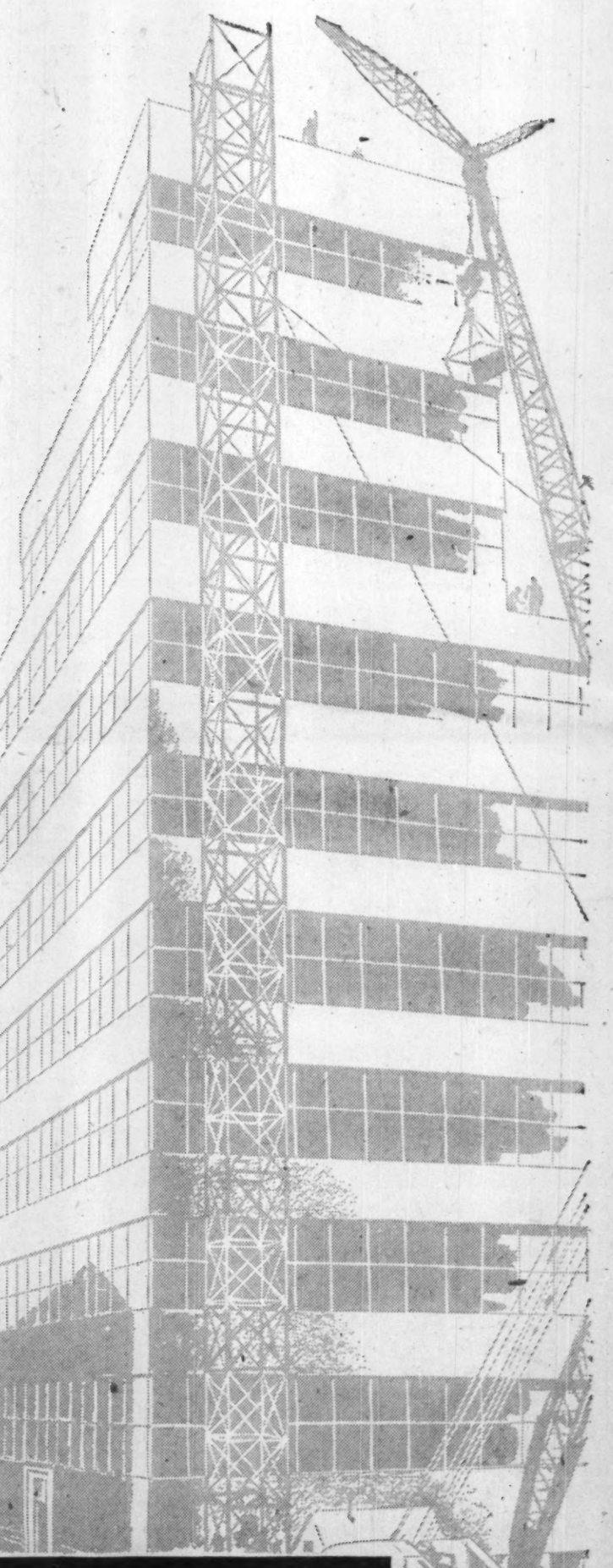
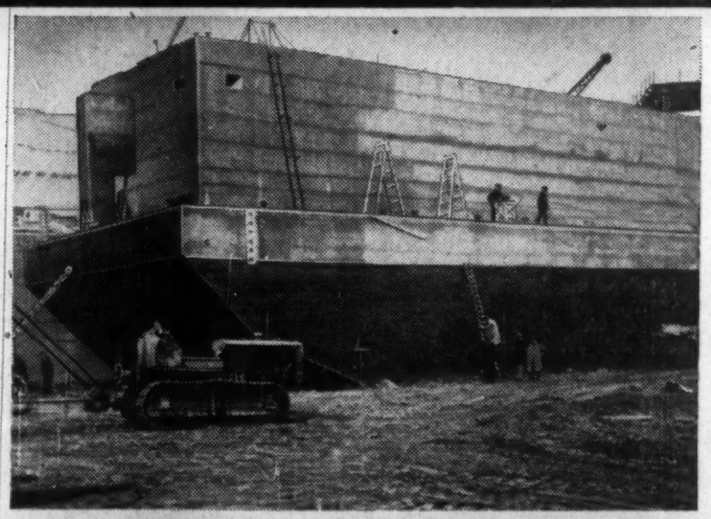


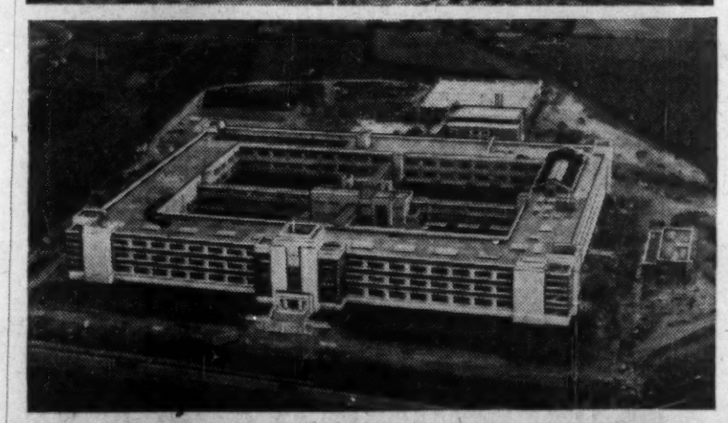
### "MULBERRY HARBOUR"

McAlpines constructed one-tenth of the total of 1,000,000 tons of Phoenix Caissons which comprised the famous Mulberry Harbour, towed across the English Channel and set down on the Normandy Coast. The largest types of these caissons, each weighing 7,000 tons, were constructed in the London Docks. McAlpines provided the Chairman and one other representative for the five-man committee that decided on the design adopted and used with such success.



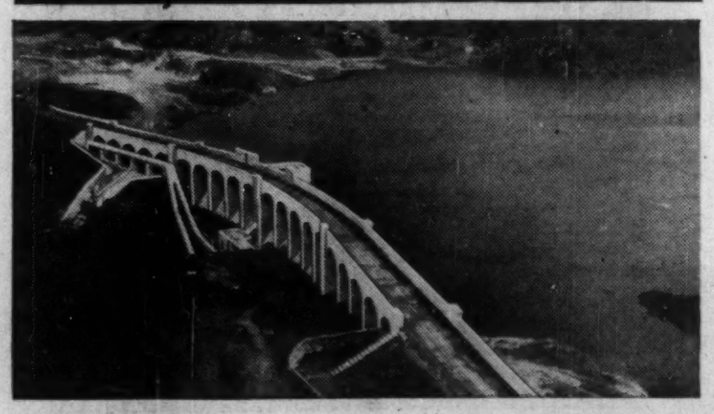
### IMPERIAL TOBACCO FACTORY

Completed in 1950, this factory, at Newcastle, has a structural steel frame encased in concrete, with panels of brickwork and artificial stone features on the external elevations. Precast terrazzo wall linings are a predominant feature of this very modern factory. This $6,000,000 job was carried out under the McAlpines co-operative contract, under which the client participates in any savings effected.



### LOCH DOON DAM

This concrete dam is one of several constructed by McAlpines during the development of the Galloway Hydro Electric Scheme. The firm have 75 years experience in the construction of similar large, heavy engineering works, including railways, bridges, tunnels, reservoirs, roads, wharves, and jetties in many different types of earth and rock formations.



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